

WHITE PAPER

Selling digital to Healthcare Services

LocalMediaInsider
Intelligence for online publishers

WHITE PAPER

Selling digital advertising to the healthcare category

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1. Introduction

In general, many local sites report that major health care providers are buying top banner positions on the dominant media site. This study looks at local media who have utilized digital strategies to preserve or expand market share. This report was developed after interviews with more than 20 local companies who have reported increases in digital health care revenues in 2010. In general, sites who reported revenue increases used a few core strategies:

- Management level participation on digital-first sales development of major accounts
- Focus on cosmetic services and creating compelling offers/up-sells
- Creation of health niche sites with numerous sponsorship opportunities

2. What the market is buying now

The overall category who participated in the 2010 ItzBelden Small Business Advertiser survey reported the following purchasing ratios:

Answer Options	%	Auto - Sales	Finance	Restaurant	Health Care
		92	146	111	297
Yellow Pages	52%	65%	65%	53%	73%
Radio	50%	78%	63%	54%	51%
Internet sites (non-major)	50%	84%	37%	60%	49%
Local daily newspaper Web site	40%	61%	44%	30%	41%
TV - Cable	27%	57%	38%	21%	23%
Outdoor/Billboard	25%	46%	43%	31%	20%
Coupons mailed to homes	24%	40%	21%	43%	17%
TV - Broadcast	22%	34%	24%	18%	20%
Radio Station Web site	18%	27%	27%	18%	19%
Local weekly/non-daily community newspaper Web site	17%	23%	18%	18%	15%
City or lifestyle magazine Web site	16%	11%	14%	20%	15%
Store circulars	10%	5%	6%	16%	5%
TV - Broadcast station Web site	10%	15%	12%	6%	9%
Catalogs mailed to homes	8%	9%	4%	12%	3%
TV - Cable TV Web site	7%	13%	10%	4%	3%
Other (Specify below)	16%	5%	19%	11%	21%
None of the above	6%	0%	3%	4%	4%

Shifting dollars from the top two categories, Yellow pages and radio, provides a major opportunity.

3. Three segments within the healthcare market

Healthcare advertisers are in reality composed of three groups with different marketing needs: Large hospitals and networks, independent medical clinics and doctors and cosmetic service providers. Increasing revenues means looking at these categories separately:

- a. In general, hospitals and networks have a variety of marketing objectives that have little to do with immediate return on investment; so maintain high level relationships with these top major accounts that allow for creative approaches.
- b. Independent medical services are highly dependent on search, although there are some categories such as chiropractic physicians, longevity clinics, telemedicine and psychologists that have broader appeal. For display campaigns identify and target this latter group.
- c. Cosmetic services have a highly targeted audience: Upscale and mostly female, responsive to brand advertising and offers, with high Return On Investment ratios.

a. Selling to hospitals and major medical institutions

Accounts like hospitals and insurance networks have larger budgets and institutional aims. Objectives may be numerous so the first task is to explore what the marketing director's key needs are. Successful sales departments maintain on-going high-level relationships with these key accounts even when the account is dormant. More so than national accounts, hospitals require proposal skills and are responsive to sales strategies. Since they are coveted by a variety of local media, being proactive is the best way to stay in the game.

The lists of Key Marketing Objectives for hospitals that local media companies have identified and created real campaigns around in 2010 include the following:

- Recruiting "hard-to-find" employees
- Promoting a new division or owning a key franchise
- Targeting a specific audience (old, young, female)
- Promoting individual doctors and specialists
- Driving traffic to new features on its own site

- Sponsorships that offer exclusivity
- Fund-raising money for its foundation
- Support for a favorite, related charity
- Become the dominant overall brand in the marketplace
- Redeploying print dollars into more targeted campaigns

In short, any one institution may have a variety of objectives. Media sales management can and should require sales representative who handle major health accounts to note the top three "Key Marketing Challenges" in a database or other system, use a long form digital needs analysis, or bring a specialist in for these accounts.

Here are a few real world campaigns that solved one of challenges above in 2010:

- **Promoting a division**

When the Palm Beach Post (PBP) digital sales team approached JFK Medical Center in Palm Springs Florida they were able to identify that the institution was heavily focused on a new, Bariatric Surgery Unit, which offers a method of reducing obesity through surgery. The marketing director wanted a creative idea that would grab attention online and link to its seminars and other data capture areas. So the PBP used an in-house creative brainstorming team to generate several ideas. The team asked the client to describe major concerns and "tipping points" for obese people who had taken advantage of the surgery. One concern these patients mentioned was fear of flying and, in addition to the humiliation of taking up two seats, being forced to pay for them. The team came up with a simple digital ad to promote educational seminars and a larger "in your face" creative ad that poked this concern, using an image of the interior of an airplane:

JFK MEDICAL CENTER
Bariatric Center of Excellence

advertisement

What if your greatest fear of flying is...
that you won't fit in the seat?

Editorial Content 1 Slide #1
Editorial Content 2 Slide #2
Editorial Content 3 Slide #3
Editorial Content 4 Slide #4
Editorial Content 5 Slide #5

Free info sessions
Sponsored by JFK Medical Ctr

The campaign ran on the home page, with landing pages describing the Bariatric facility, and informational session. Traffic to the page on the site jumped, and the Hospital began running other programs as well. In fact 92% of their site traffic was generated by this one ad. Take away from Palm Beach Post's sales team is that these sales are a long term process and require significant investment in creating the campaign ideas – for the best results, a long term relationship that generates large budgets from a major account on and offline.

- **Supporting favorite, related charities**

Print companies take note: The local television station KPAX took advantage of a change in marketing directors to secure a major buy from a key regional hospital, in spite of having only about one tenth the traffic of the local newspaper site.

St. Patrick's Hospital in Missoula, Montana, has a leading cancer center with major promotions being developed on its own web site. But a key to closing a large advertising deal was not just the focus on the Cancer Center, but also the hospital's other objectives of extending its brand with the promotion of Breast Cancer Awareness month. KPAX presented a proposal that included creating a separate domain name, TeamUpMontana.com, and a site for the charity drive, as well as partnering with the College Football team and the daily newspaper to co-sponsor additional promotions. As a result the hospital signed up for \$40,000 of online only dollars. Ads for Cancer Awareness started in March and culminated in October during football season.

Jersey available August 13!

100% of sales benefit Montana Cancer Compassion Fund

The t-shirt promotion, pictured above, also created one of the advertising opportunities; Ads asked people to wear pink to games of the Montana Grizzlies, who are the defacto state team. Pink balloons are released at half time. TeamUPMontana now has a Facebook page run by the hospital's marketing director which gained 772 fans in just a few months. This is a great example of the kind of deep relationship that can be created; the hospital now considers the relationship with KPAX as critical to maintaining its signature event.

- **Selling a target audience** The Shreveport Times News has two main hospitals in its area, with the smaller of the two interested in "owning" the audience of moms and children starting with prenatal care and through pediatrics. Christus Schubert Hospital and Health Services' Key Marketing Objective is to establish a relationship with new mothers. Additionally they have a child-related foundation that requires annual fundraising.

The Shreveport Times News created an interactive strategy to meet both objectives by having the hospital sponsor a "Gateaux Baby Contest." Every year, thirteen of the baby photos from the contest become part of a calendar. Another twist is that families are asked to pay to vote, with the proceeds money going to the hospital's foundation and used to support child-related programs. One year, for example, half of the money went to pay for stuffed animals for patients in the Pediatric Unit, the other half went to the Shreveport Times News in Education program, which of course, is also child related. Here's a photo in the hospital newsletter on the program:

BABIES MAKE A BUNDLE

for SUTTON CHILDREN'S

Sutton Children's patients were the big winners in the first annual Shreveport Times Geaux Baby calendar contest, which ended in October with presentation of a check for \$9,981 to the hospital. The money will be used to purchase small stuffed animals to be given to each patient in the Pediatric and Pediatric Intensive Care Units of the hospital. The idea to give the patients their own "little buddies" came from Pediatric Intensivist Dr. Samuel Edelman.

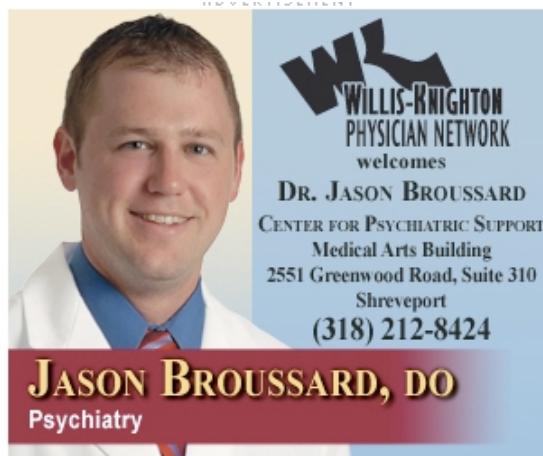
The newspaper contest was to pick thirteen babies to be pictured in a 2008 calendar – one on the cover and one for each month. A total of 620 babies were entered and received more than 200,000 votes in the contest. The children's hospital was one of three charities to receive proceeds from the voting.



Dr. Joe Paine, baby J'Mar Dunn and *The Times* publisher
Pete Zanniller

Some parents paid as much as \$5000 to win – since it is a fundraiser, the contest has unlimited entries. This is a great program that serves the community and ties the newspaper into another profitable, signature event.

• **Promoting individual doctors and specialties** The largest healthcare provider in Shreveport, Willis-Knighton, is also a major advertiser in the community. In 2009, the hospital became dissatisfied with their print campaigns which included a full page ad that listed all of the new doctors in the network. The hospital felt the campaign was too expensive and because it was not targeted it was wasting money. Fortunately, the sales team was ready with new ideas that met these evolving needs. The new campaign strategy developed by the Shreveport News digital team is to have a 300x250 online display for new physicians that are targeted to the zip code areas or demographics they serve, using ZAG data, which collects visitor information from pop-up boxes. Here's one example, of one of the many ads in the online display program that runs across the area:



Targeting is a primary goal; pediatricians can advertise to their neighborhood and older men can be targeted for prostate screening. Ultimately the hospital was much happier with the results and the feedback from the doctors it promoted, and wound up spending the same amount of money as the prior year

b. Cosmetic services

Cosmetic services are a top category because of high ROI, and the exploding market of aging baby boomers intent on looking good. Even smaller practices can make ROI work easily.

This can also be a crossover category for medical doctors such as dermatologists and dentists who also provide cosmetic services. The key here is that the doctors – or nurses – who own the practice consider developing revenues for these services to be a key marketing objective. Identifying this intent only takes a few questions: “If I could show you away to double your cosmetic service business, would that be worth in investing in?” (There are also a number of non-medical cosmetic services which have high dollar values; you can apply the same principles below). Here are best practices in selling cosmetic services ads:

*Find the top companies by Google the top categories, specifically: Eyelift, Facelift, Breast implants, Tattoo removal, etc. with the name of the city, neighborhood or area served.

*Use targeting. Geography, income and sex are important to this group.

*Deploying phone call tracking services. It is also almost always is a net gain. Internal tests at one newspaper group that use call-tracking shows that advertisers did not even register they had received a call until they received more than seven calls.

*Research and experiment with offers on banner ads (full discussion below).

*Ask about e-mail marketing. Advertiser who use e-mail lists, perceive more value in reaching people who do not buy immediately, but can be captured for a future sale.

*Deploy reputation management tools. If your company has access to reputation management tools, these companies will be interested.

The marketplace for cosmetic services is defined by price and reputation. As a rule of thumb, the more invasive a procedure is the higher the price and the greater sensitivity to online reviews. For these services, once someone sees and responds to an ad, most do more research, so reviews still count. Make sure you know about and have strategies for your client's online reputation and building email lists.

On the other hand, discounts on Botox of even a dollar a unit can drive sales; minimally invasive procedures such as teeth whitening and Botox require price research. Finally, remember that new procedures can also benefit immediately by being "first to market" on your web site. Think of it this way - if customers don't know about a procedure, they won't be searching for it! But they may respond to a banner ad for: "No wrinkles, no surgery, in one day." So always ask about new techniques and procedures as well as discounts.

• **Getting the offer right**

Studies on a variety of campaigns running the same size, duration and product have far different results. The creative offer/concept and look of the ad makes the difference between success and failure of the campaign. A great offer will work on all media (targeted buys can produce double and triple the results). So it is worth spending time on the front end developing a call-to-action that site visitors respond to. The right offer can work with only minor changes for a number of months and secure a long term client.

So which offers work? Look for online offers that are low-leaders but draw customers in to purchase a larger, packaged service. A low leader ad on Botox, for example, allows a follow-up sale of a package of injections. In one market, a chiropractor offers a "\$10 massage" that includes a free chiropractic back screening. The chiropractic up-sell package is \$600, so the \$200 a week spent in advertising "breaks even" and generates thousands of dollars a month in chiropractic sales. This campaign has run successfully for more than five years in a small 60,000 population market.