The Consumerization of Healthcare 2nd Edition

Personalization & Empathy Are The Key Differentiators in Experience

In association with Adobe

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1. Executive Summary

The first ***Consumerization of Healthcare Report*** in 2019 examined the industry through the lens of modern customer experience (CX). The study explored consumers' relationships with their healthcare providers, their changing views on loyalty and desire for more and digital services.

Based on a survey of 2,096 American healthcare consumers, this second edition expands the focus to look at the patient context, and how the emotional components of their journey can guide healthcare marketers to a better understanding of their consumers and the content and processes they need to differentiate themselves from their competitors.

Key Findings

- Experience remains the overriding priority for healthcare marketers. By a significant margin, they say that optimizing CX is their organization's most exciting opportunity for 2020.
- Convenience is the place to start. Two-thirds of those under 55 say that the system is "too difficult to deal with" and less than half believe that is caters to their needs as individuals.
- Confusion and a lack of information characterize many of the specific areas of difficulty identified by respondents, including their need to better understand costs and benefits outside traditional coverage as well as the specifics of coverage itself.
- Better digital access to information and multi-channel communication continue to rise as patient priorities. Over 70% of users under 55 years of age say that easy to find information via websites and apps is important to their experience, and two-thirds say the same for the ability to communicate with HCPs via digital channels.
- Empathy should be the goal. Asked for the first word that comes to mind when thinking about healthcare, a majority of respondents between 18 and 55 chose negative descriptions such as "anxiety," "frustration," "fear," and "confusion."
- The impact of better information on the patient experience can be profound, with a potential impact on outcomes. Two-thirds of respondents under age 55 say that when prices are unknown, it makes them "want to say 'no' to everything."
- Age is a significant factor in building marketing and service personas. For example, happiness with the healthcare experience is lowest for those between 35 and 55 years of age. This group is in the crosshairs of the costs and bureaucracy of healthcare, often having to deal with healthcare issues for themselves, children and older relatives.
- The digital shift in healthcare continues. Since the last edition of ***The Consumerization of Healthcare***, virtually every measure of demand for better, digitally-enhanced experiences has risen, as has comfort with innovation in the patient experience.
- Frustrations with the healthcare experience open the door to digital disruption. Despite privacy concerns, two-thirds of all respondents say they would be interested in exploring healthcare coverage from digital economy giants such as Amazon and Google, with nearly 80% of those under 35 saying they could be interested in such an option.
- Respondents are concerned with how their data might be used, but are generally open to sharing data in a number of contexts and with a variety of stakeholders. In the pursuit of lower costs, over 60% of all respondents are willing to share their healthcare data with their insurer.

Read the full report for more, including the top recommendations for healthcare marketers;

- Solve for customer effort
- Develop personas and customer journeys that reflect the emotional experience
- To deliver a better experience, consolidate patients' data

1.1. Methodology

This report is based on findings from an online survey fielded in Q1 of 2020 to select third-party lists. Survey takers were offered an incentive.

A total of 2,096 qualified respondents completed the survey.

For a profile of respondents, see the **Appendix**.

1.2. About Econsultancy

Econsultancy's mission is to help its customers achieve excellence in digital business, marketing and ecommerce through research, training and events.

Founded in 1999, Econsultancy has offices in New York, London and Singapore.

Econsultancy is used by over 600,000 professionals every month. Subscribers get access to research, market data, best practice guides, case studies and elearning – all focused on helping individuals and enterprises get better at marketing through all channels and answer the demand for improved digital, data-powered experiences.

The Econsultancy subscription platform is supported by digital transformation services including digital capability programs, training courses, skills assessments and audits. We train and develop thousands of professionals each year as well as running events and networking that bring the marketing community together around the world.

Subscribe to Econsultancy today to accelerate your journey to marketing excellence.

2. Foreword by Adobe

In 2019 we discussed how educated and empowered healthcare consumers were changing the power dynamic in the healthcare industry – exercising choice and voting with their dollars like consumers in every other industry. For as long as we can remember, the healthcare industry has been provider focused while we all paid lip service to becoming patient or customer focused. There was no compelling reason to change how we engaged our customers, and there was a certain resignation on the part of our customers as to what their engagement with their healthcare ecosystem was going to be like. We have finally started to bridge that experiential gap as consumers in healthcare expect their engagements to be similar to those they experience in other industries – driven by access, convenience, cost transparency, and self-service. Digital-first thinking is finally playing a major role in how healthcare companies engage their customers.

This year we are refreshing our look at the industry with a lens specifically on the payer and provider segments of our industry, and the opportunities that must be seized to differentiate themselves from their competition. We all agree that this industry is ripe for massive disruption by those companies rooted in digital-first thinking and not encumbered by legacy thinking and legacy fears regarding regulatory compliance. However, as you will see in this report, legacy healthcare companies still occupy a position of trust that is far greater than that of technology or new disruptors in terms of privacy and security, and that window of opportunity must be exploited now.

Adobe is uniquely positioned to help legacy healthcare companies leverage their standing in the marketplace and deliver on the new and powerful expectations being brought to bear by empowered healthcare consumers. Our proven customer experience toolset, best practices, and partner ecosystem that have been delivering exceptional experiences in other industries for the past decade serve as the launching point to help healthcare companies know their customers as individuals, and to personalize experiences and provide the empathy and understanding demanded by today's healthcare consumers.

Thomas Swanson
Head of Healthcare Industry Strategy, Adobe

2.1. About Adobe

Only Adobe gives everyone — from emerging artists to global brands — everything they need to design and deliver exceptional digital experiences.

Adobe Experience Cloud provides an end-to-end Customer Experience Management (CXM) solution for experience creation, marketing, advertising, analytics, and commerce. It helps companies deliver consistent and compelling experiences across customer touch points and channels – all while accelerating business growth.

Adobe Experience Cloud is comprised of Adobe Marketing Cloud, integrated applications that help B2B and B2C brands connect with customers on a personal level; Adobe Commerce Cloud, providing a highly customizable and scalable end-to-end set of applications to manage, personalize and optimize the commerce experience across every touchpoint for B2B and B2C use cases for companies of all sizes; Adobe Analytics Cloud, Adobe's customer intelligence engine that helps brands move from insights to action; Adobe Advertising Cloud, the industry's first end-to-end platform that manages advertising for TV and all digital formats; and Adobe Experience Platform, the industry's first open and extensible platform that stitches data across the enterprise, and enables brands to deliver impactful digital experiences in real-time.

- More than two-thirds of Fortune 500 companies use Experience Cloud including 9 out 10 of the top health and life sciences companies in the US.

- Industry analysts have named Adobe the leader in over 23 categories, such as Web Content Management, Digital Marketing Analytics, Digital Commerce, Marketing Cloud Platforms and more.
- Adobe Experience Cloud is supported by an expanding global ecosystem, which now includes nearly 13,000 solution integrator, agency, technology, and marketplace partners and more than 300,000 developers.

For more information on Adobe and becoming an Experience Maker.

3. Start with Convenience

When asked about their organization's most exciting opportunity for 2020, healthcare marketers' number one answer, by a 50% margin, is "optimizing the customer experience."[1]

But what does that mean in practice? In a recent study, marketing leadership was most likely to say their organization sought to offer their customers an "effortless" experience.[2] That word implies two things.

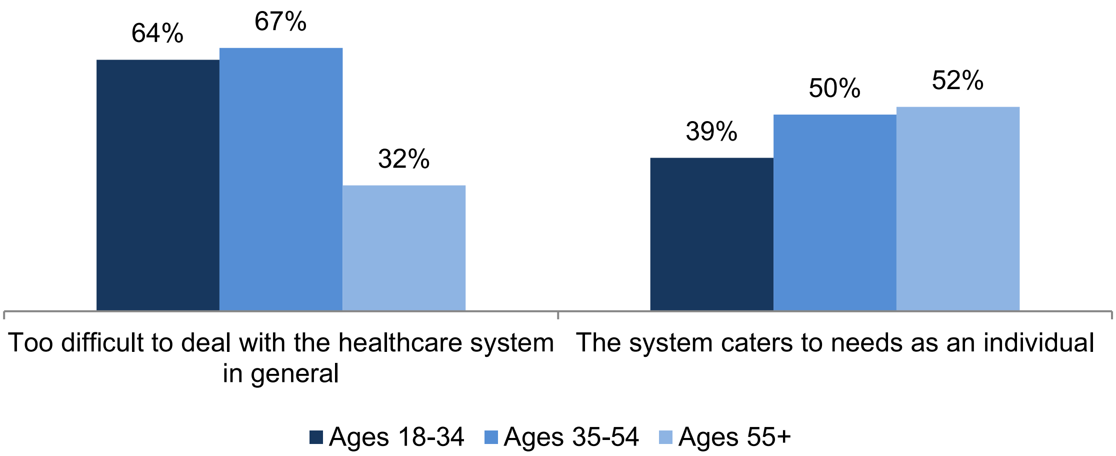
The first is ease of use in the practical sense. An effortless experience is marked by well-designed interactions across channels, intuitive processes and clear signposts.

The second and more difficult element of an effortless experience is to reflect the individual's context. This is personalization, whether it's a receptionist welcoming back a single patient or a CMS simultaneously delivering custom content to thousands.

Both of these goals demand that healthcare organizations put the patient at the center of strategy and execution and that's a challenge for most, despite the enthusiasm for CX as a path to growth.

In 2018, the first edition of *The Consumerization of Healthcare* examined how healthcare consumers want to interact with their providers and their demands for greater convenience. This year's study begins to dig into the question of context; how can patients inform the industry and help guide its journey to experience-driven communications, service and marketing?

Figure 1. Healthcare challenges its consumers



N=2,041

Healthcare isn't like retail or travel. The relationship between the patient, HCP and insurer is complex, technologies don't communicate easily and regulation often limits as it protects.

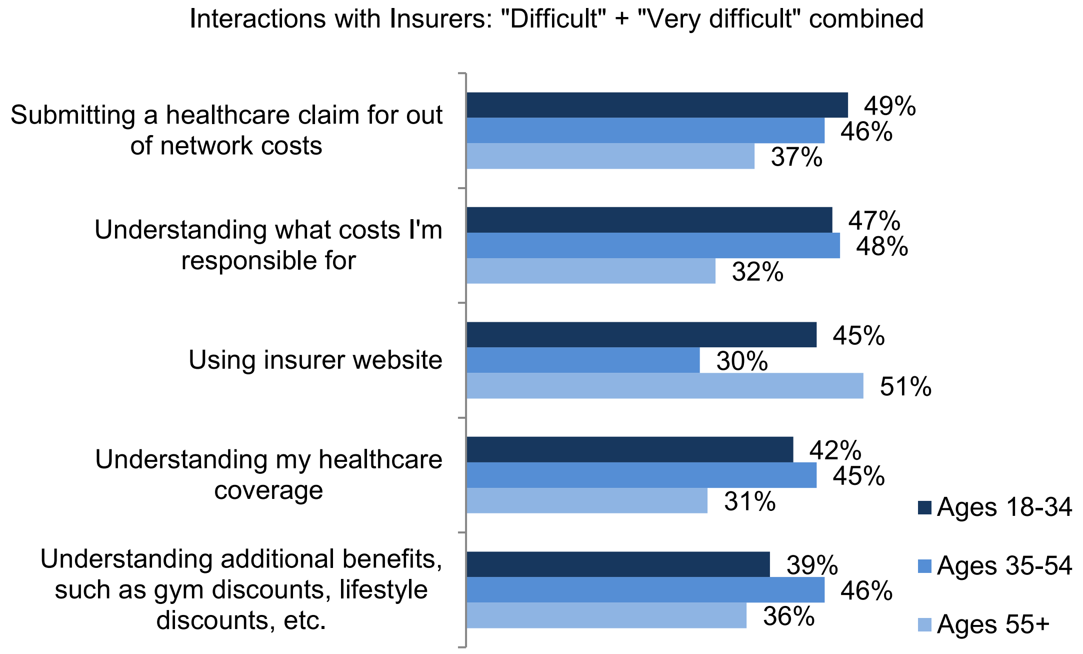
This is evident in the share of people who find the system challenging to use. For those under 55, two-thirds say it's too difficult dealing with the healthcare system.

Part of this is structural, since roughly half of all healthcare organizations report that CX is decentralized across marketing and other departments. Only one in four has a cross experience team that's organized around the customer journey.[3]

[1] *Digital Trends Report, Econsultancy, 2020*
[2] *Thriving in the Experience Economy, Econsultancy, 2020*

Given the complexity of its structures, it's not surprising that that more than half of all respondents feel that the system fails to understand and cater to them as an individual. This is especially true of those under 35, who have grown up in a digital, mobile world and whose expectations for an effortless customer experience are greater and more specific than older generations.

Figure 2. The insured want help finding and understanding critical information



N=1,050

Looked at one way, the healthcare industry is halfway there; in general a slim majority of its consumers report that finding key information is relatively straightforward.

But that leaves large minorities who feel that their experiences are defined by obtuse language and inefficient processes. Age differences play an important role in the needs and views of healthcare consumers.

At first glance, one might guess that younger people find dealing with their insurers difficult because they do so infrequently and are the least familiar with multi-step processes. But that assumption doesn't accurately reflect the modern landscape.

In fact, most Americans of all ages say they interact with the system at least quarterly (see *Figure 17* in the **Appendix**). Remarkably, respondents under age 35 are more likely than those over 55 to have a healthcare interaction more than once per month, (14% vs. 9%) potentially related to their consumption of regular mental health services.

Younger people have higher expectations for the experience than older respondents, especially in a digital setting. This is apparent in their evaluation of using insurers' websites, where their dissatisfaction (45%) rivals that of the oldest healthcare consumers (51%), and is 50% higher than those in the mid range (30%).

For people in the 35-54 age range, transparency and clarity are paramount. They find it especially difficult to discern what costs they'll bear and submitting out-of-network claims.

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[3] *Digital Trends 2020, Econsultancy*

They are also the most critical of how their plans surface and explain additional benefits (46%), which could be an important finding for marketers. Programs that associate lifestyle benefits with their brands are an increasingly popular way for insurers, hospitals and pharmaceutical companies to add value to their customer relationships and positively position themselves.

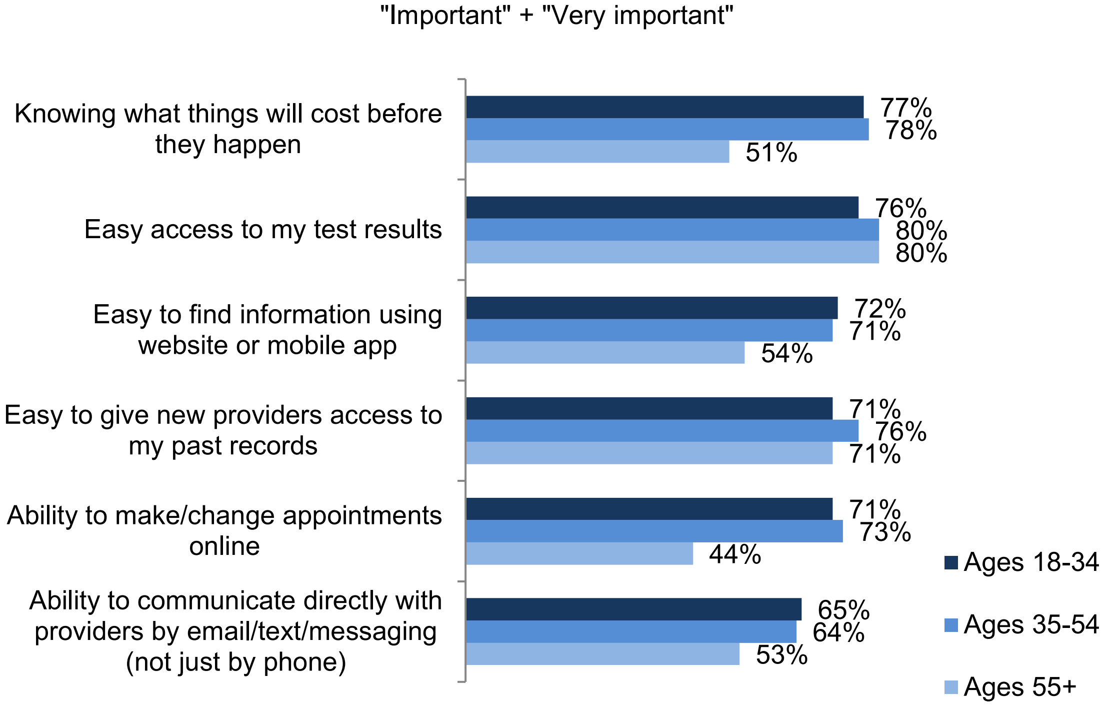
The middle-aged demographic may well be the most motivated by these programs, and potentially the most demanding around access and clear communication.

Respondents over 55 are typically the most happy with their insurance interactions, which is consistent throughout the findings and appears to be related to their participation in low cost, government insurance programs.

Not surprisingly, their pain point is website usability (51%), suggesting that marketers and UX designers might benefit from considering age as a key personalization variable for which content is delivered and in what format.

Demands are similar when evaluating direct healthcare providers. Patients rate transparency, ease of use and convenience as important to their experience, with older respondents understandably less concerned with surprise costs and messaging options

Figure 3. What's important in the patient experience?



N=1,983

The digital revolution has opened up new communications channels to consumers of all ages and that expectation is steadily increasing for healthcare. Today, two-thirds of respondents under age 55 say that the ability to communicate with providers through digital means is important to them.

Similarly, openness to live video appointments continues to rise, especially among younger healthcare consumers. In a milestone, over half of those under 35 say they would prefer a longer appointment via video chat than a shorter one in person.

While a multi-channel experience presents technical and logistical challenges to providers, it represents the future of healthcare and there will be advantages to all constituencies in efficiency and improved experience.

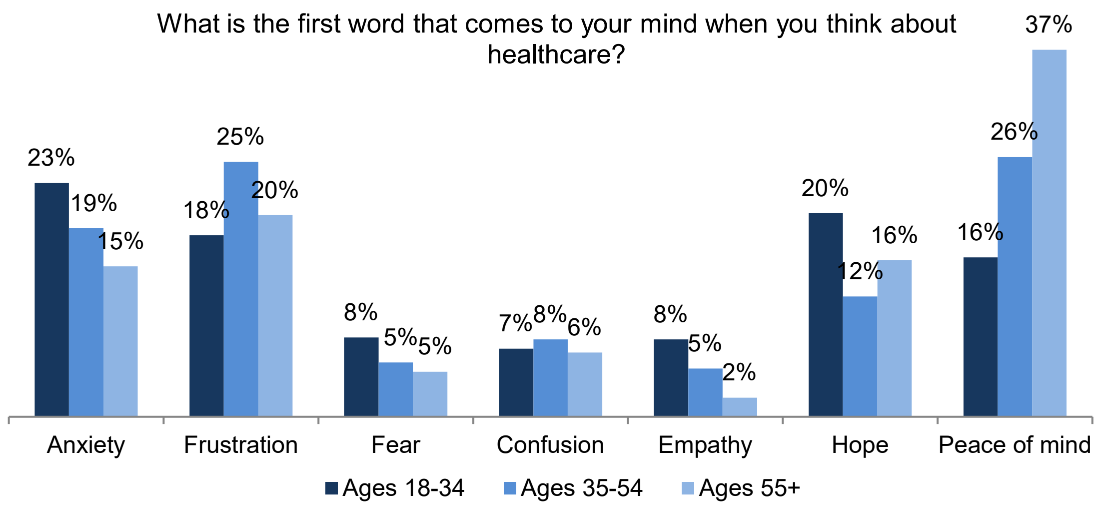
4. Aspire to Empathy

Working toward an effortless experience should be a goal for every organization, but in healthcare, ease of use is only step one in being truly patient-centric. Step two is empathy.

Emotion plays a role in every commercial relationship. Most of us have felt the anxiety related to the "paradox of choice" and research has long proven that we buy with our hearts first and our brains second.

No industry is closer to powerful human emotions than healthcare, where even routine interactions can literally raise blood pressure.[4]

Figure 4. Inside patients' heads…anxiety, frustration balance empathy and peace of mind



N=1,032

The unique challenge of healthcare marketing is captured in ***Figure 4***, which shows survey-takers first-word response to the industry. Across the continuum, more than half of respondents between ages 18 and 54 chose negative emotions.

Interestingly, older respondents have the most positive view of healthcare, which is meaningful for marketers. While older patients are more likely to be dealing with significant health concerns, their experience of the system itself isn't nearly as fraught as younger users.

Obviously, costs play an outsized role in the frustration of many patients who don't qualify for government-backed insurances. The prices themselves can't easily be changed, but how pricing information is handled is a key variable in the patient experience equation.

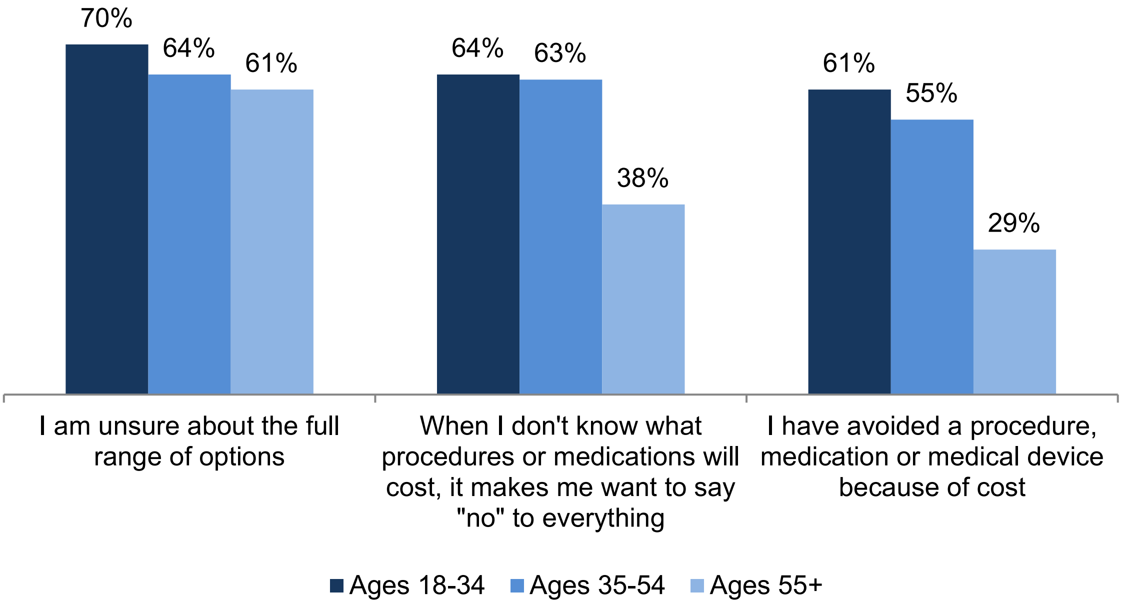
Anxiety and frustration often start with a lack of information. ***Figure 5*** details some of the effects that insufficient information can have on healthcare consumers.

Across all age ranges, patients have a sense that they aren't getting the full range of options from their HCPs.

Healthcare companies can provide more useful and transparent processes that would mitigate the negative emotional experiences of their consumers.

[4] *White Coat Hypertension: Improving the patient HCP relationship, Dove Medical Press Limited, 2015*

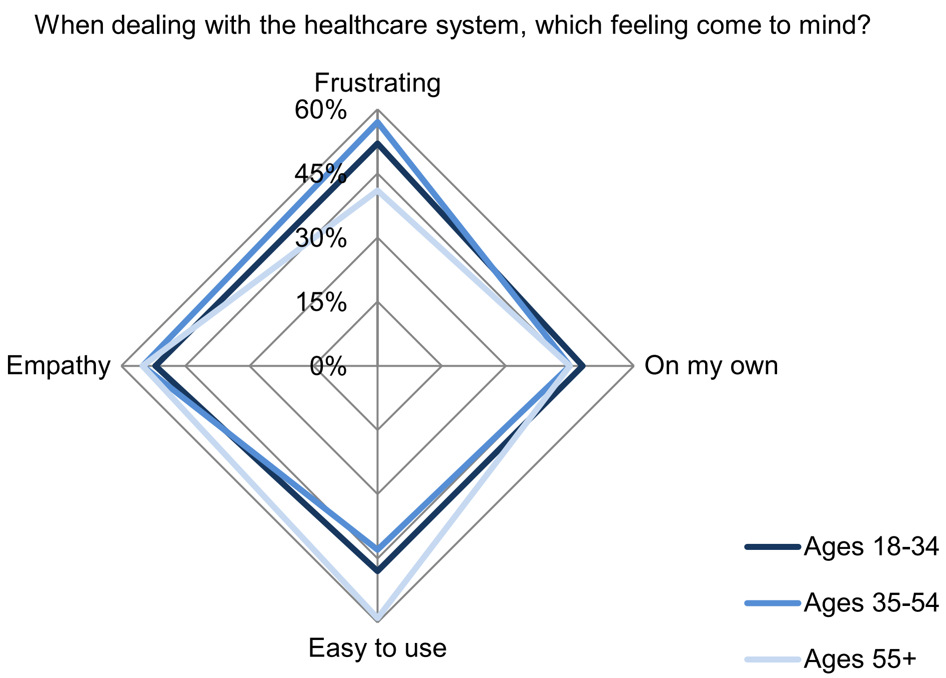
Figure 5. The patient experience is marred by a lack of information



N=1,093

Healthcare organizations should be aware of the follow-on effects of price opacity; two-thirds of respondents under age 55 say that when prices are unknown, it makes them “want to say ‘no’ to everything.”

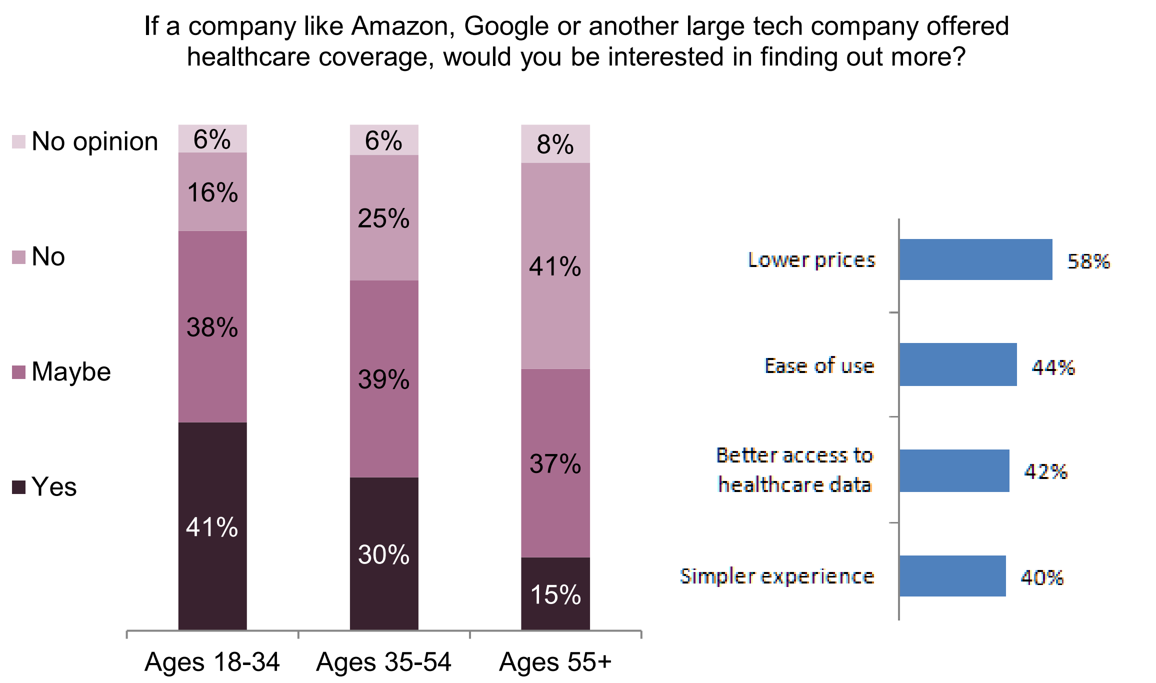
Figure 6. With healthcare, many find themselves frustrated or on their own



N=1,103

With nearly 60% of those between 18 and 54 saying that “frustration” is their primary feeling about healthcare, and that they feel “on their own” instead of empathy, the opportunities for a more empathic patient experience are clear. Marketing can’t cut prices, but it can help patients anticipate costs, understand options and navigate processes that reflect their state of mind.

Figure 7. Many would be open to healthcare disruption



N=1,986

Dissatisfaction leads to disruption. That's been the lesson in sector after sector where established leaders have fallen or overpaid to acquire digital upstarts. While many parts of the healthcare industry are well protected by regulation and inertia, it would be a mistake to think of today's standard operating procedure as immutable.

When "anxiety," frustration," "confusion," and "fear" define healthcare for a majority of patients, the door is open to digital disruption. In a proxy for how open healthcare consumers are to "new economy" alternatives, two-thirds of all respondents say they could be interested in exploring healthcare coverage from "a company like Amazon, Google or another large tech company."

There are predictable distinctions by age range. Nearly 80% of those under 35 are at least somewhat open to healthcare coverage from a technology giant. The share drops with age to, but their interest is strong and significant, roughly 70% and 50% for the older demographics.

Openness to digital competitors is especially notable because traditional providers are much more trusted by healthcare consumers. Asked about their willingness to share data with a variety of stakeholders to cut costs, respondents put technology companies dead last, behind government agencies and their company's HR department (**see *Figure 12***).

If the pull to improve the patient experience is an organization's desire to improve outcomes, the push is dissatisfaction and the opportunity for competitors to reframe the relationship.

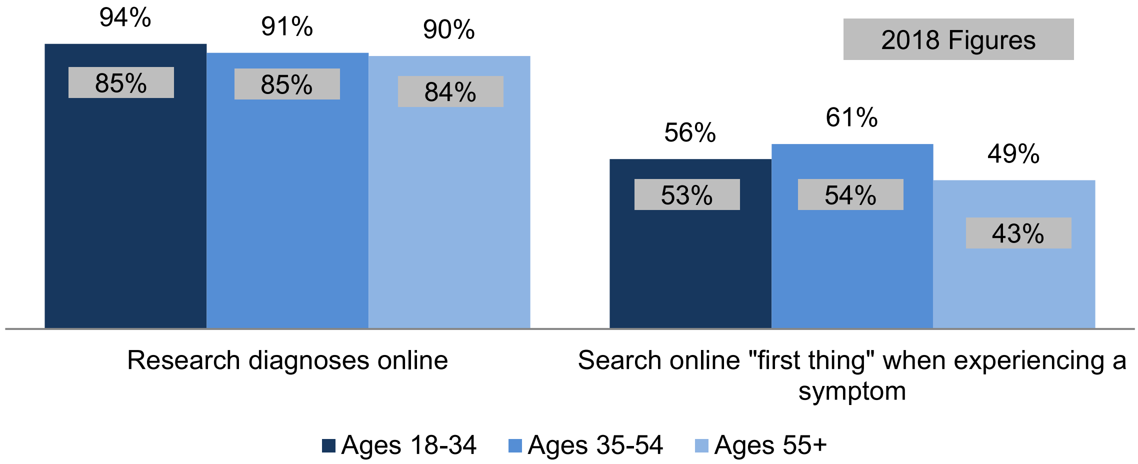
The first ***Consumerization of Healthcare*** study found that loyalty to specific providers had dropped for one-third of respondents.[5] The dominant reason for that drop was patients' concern with service over relationship, reinforcing the mandate for healthcare organizations to compete on experience.

[5] *The Consumerization of Healthcare, First Edition, Econsultancy, 2018*

5. Checkup on the Digital Shift in Healthcare

The role of the internet in health research has almost no room left to grow. Over 90% of people of all ages report going online to research their diagnoses, up significantly in just two years. A similar rise can be seen in those saying that they search online "first thing" when experiencing a medical symptom.

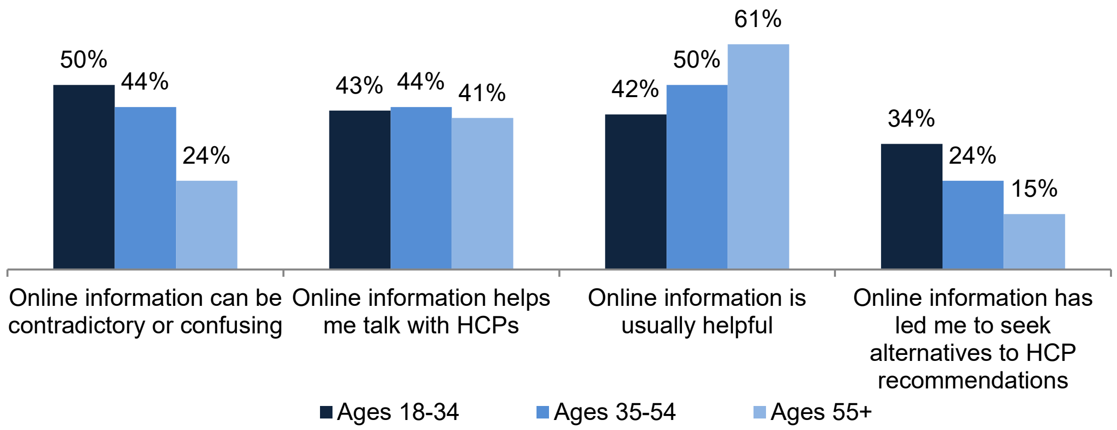
Figure 8. Internet research is essential to the healthcare experience



N=2,061

The internet is a nearly universal source for healthcare information, but people are not always sure of its accuracy. The youngest users are the most skeptical, with half saying that online healthcare information can be contradictory or confusing, and only 42% saying that it is usually helpful.

Figure 9. Convenience conflicts with quality in online healthcare information



N=2,054

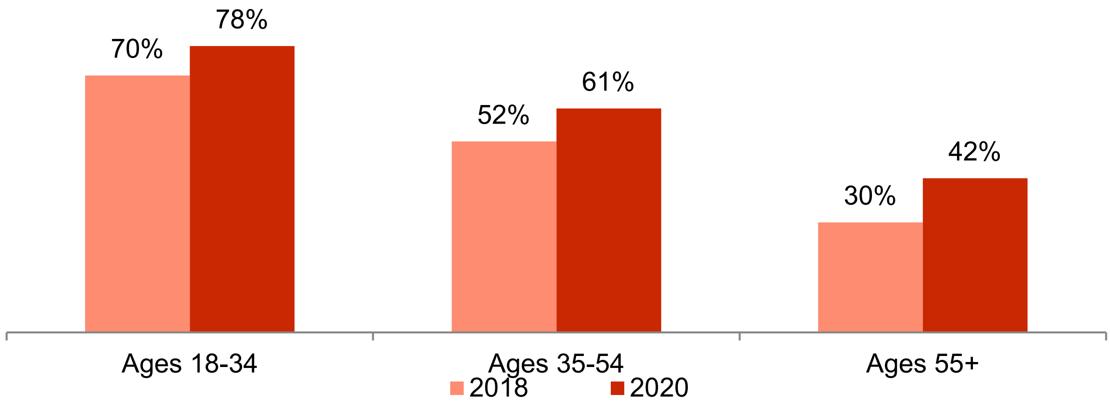
For many people an improved patient experience can be as simple as having better access to reliable information. While the internet is often useful and can lead to better, more informed conversations with HCPs, it can also introduce confusion, contradiction and even unsafe alternatives to proven treatments.

The recurring lesson of this research is that people don't necessarily have access to clear and reliable answers to their questions.

Without a recognised source, healthcare consumers will naturally turn to the open internet. This presents an opportunity to marketers to think about the patient experience first through the lens of the most frequently-asked questions and second through the lens of key personas.

Age is by no means the only variable on which to base persona design, but as these findings show, it is one of the most powerful.

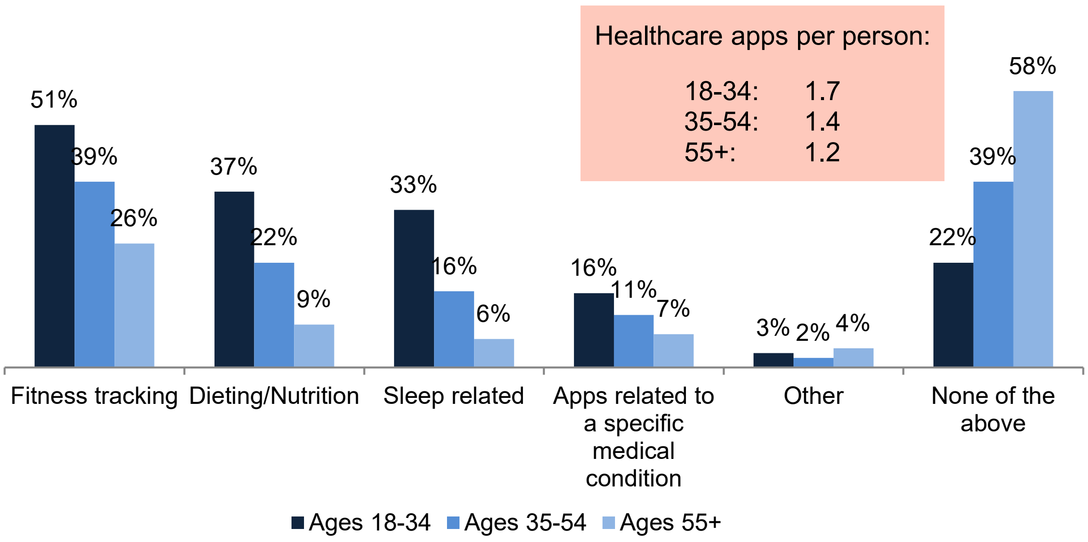
Figure 10. Use of healthcare-related mobile applications continues to rise



N=2.066

In the two years since the last consumerization of healthcare study, the use of healthcare-related mobile apps has risen significantly. The largest movement, as in many digital areas, has been amongst the oldest users of the technology; their usage has jumped 40%, from 30% to 42%.

Figure 11. Use of healthcare related mobile apps



N=2,066

Most people use apps related to fitness, nutrition and sleep, comprising more than 80% of the total usage across demographics.

Of interest to marketers, the opportunity around condition-specific apps is considerable. Sixteen percent of respondents under 35% who have at least one healthcare app report using a condition-specific solution, suggesting a real openness to the technology and practice.

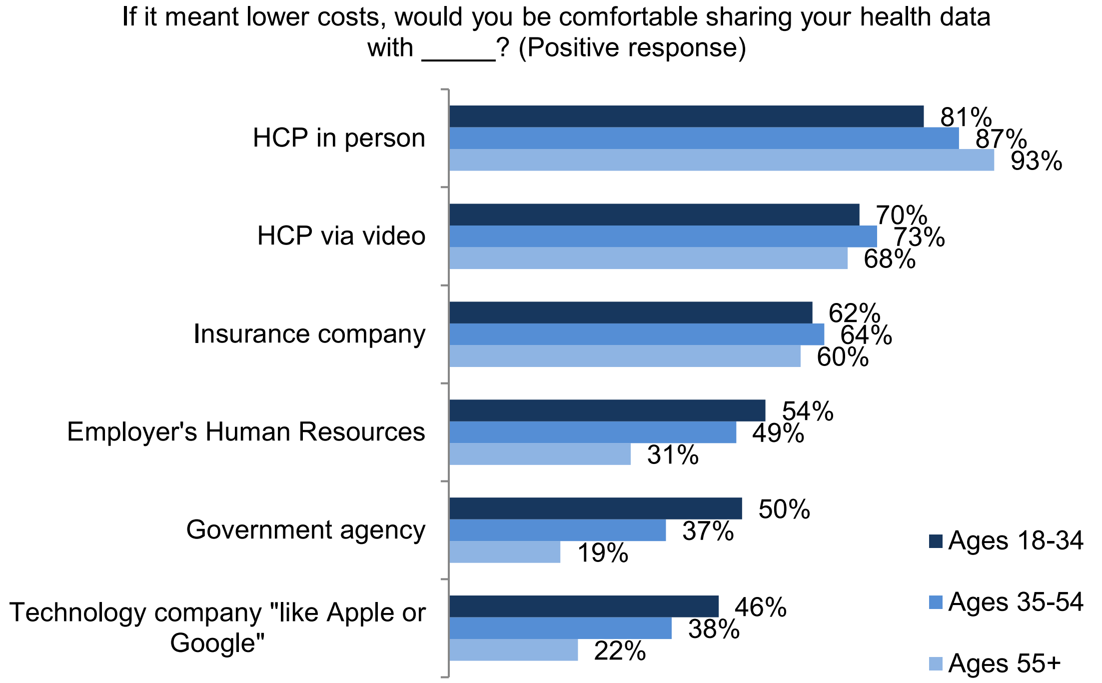
6. Open to Sharing, but Wary of Outcomes

Heath data is precious, but many people are willing to share it outside of a strictly medical context. In the pursuit of lower costs, for example, over 60% of all respondents would share their health data with insurers.

In every customer relationship, there's a tension between sharing data and the value that's offered in return. In a retail setting, it's relatively easy for consumers to understand that sharing their data will lead to discounts, optimized product offers or simply an easier purchasing experience.

In healthcare, the same dynamic exists, but it's more complicated. While people want better services, they are also concerned about how their data might be used.

Figure 12. Comfort sharing drops with distance from the patient experience



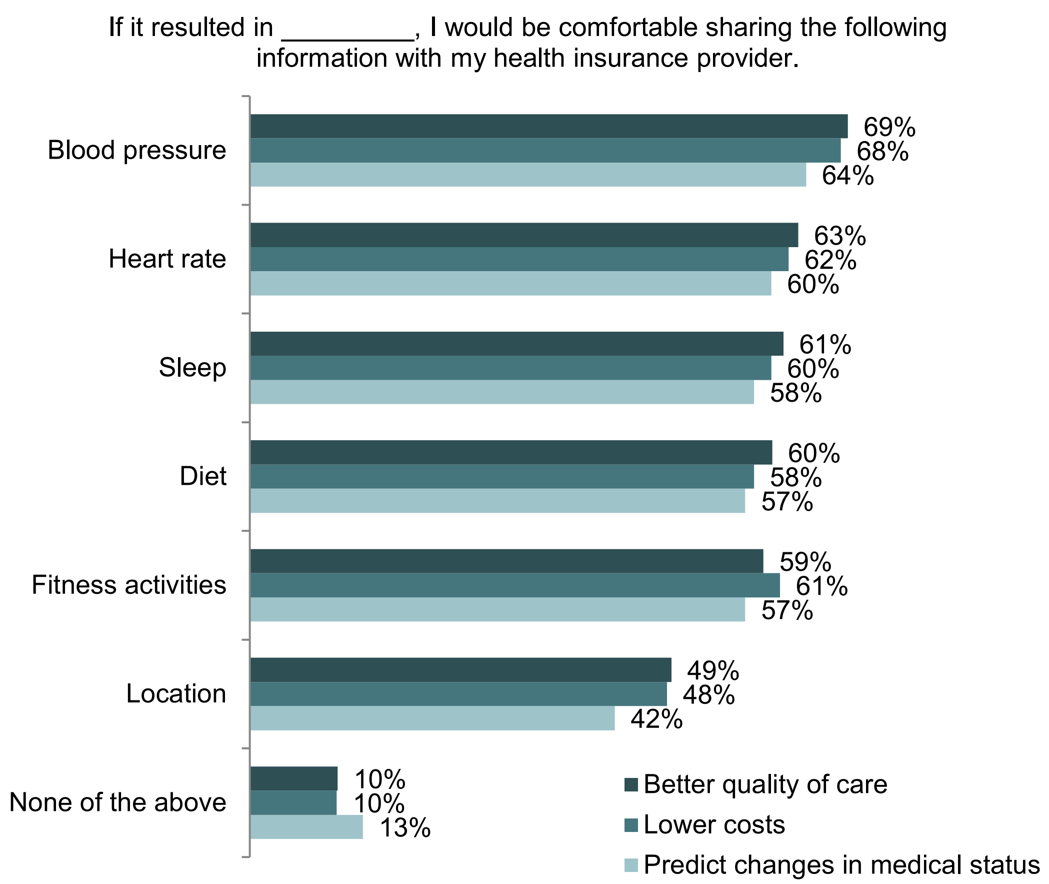
N=2,011

As in other settings, younger people are more willing to share their data, and this appears more related to their general outlook on privacy than to their health status. While this willingness drops as the use case is further from direct care, respondents under 35 are far more likely to be comfortable sharing data with employers or technology companies than older survey takers.

The opportunity for healthcare companies goes beyond the straightforward exchange of discounts for access. Health data can help personalize content, especially if used to power predictive analytics.

AI and Machine Learning represents a tremendous opportunity in being able to predict and or guide consumer journeys by identifying actionable insights on behavioral patterns, recommending the best next steps, and automating the creation and delivery of the content that deliver results. By mapping the actions of past and current customers, AI can predict the behaviors of future customers and provide the automated responses and dynamic generation of content that will you guide your customers on the journeys you want them take.

Figure 13. Healthcare consumers are comfortable sharing data

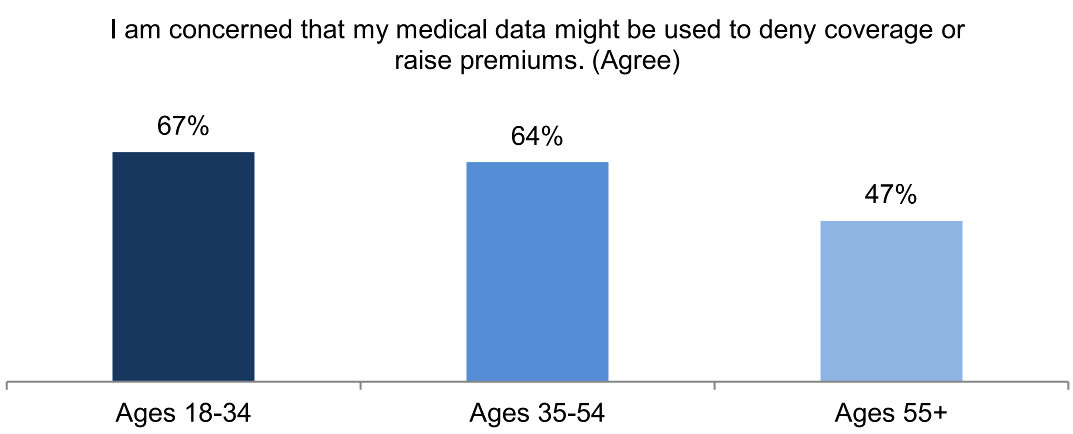


N=2,032

In general, healthcare consumers are willing to share their data with insurers in exchange for value, whether that's for better care or simply lower costs. Roughly three in five respondents said they'd be comfortable sharing specific health related data, with the percentages dropping below 50% only in the case of location.

The concern for many is how that data might be used. Roughly two-thirds of respondents under 55 say that they're concerned that their data might be used to deny coverage or raise premiums.

Figure 14. Concerns with medical data usage by insurers



N=2,044

7. Recommendations for Healthcare Brands

#1. Solve for patient effort

Despite differences with other sectors, healthcare isn't immune to the digital shift in consumer expectations. Three in four people say that they want to have the same experience in healthcare that they receive from other businesses. In measure after measure, healthcare consumers want faster, easier, more multi-channel services.

The first priority is to examine and reduce patient effort in completing standard tasks. Making information easier to find and understand is a critical need identified and reinforced throughout the findings.

Specific areas of opportunity for insurers include helping the insured understand their coverage and their responsibilities, as well as what benefits they may have to support a healthy lifestyle.

For healthcare providers the focus should be on communications and multi-channel access. There's a strong desire among patients to have multiple ways of booking appointments, but the real opportunities for differentiation and promote loyalty will be to improve the experience is in the ongoing communications with HCPs and access to results.

#2. Use emotional personas to improve the experience

If the first priority in patient experience is making it as effortless as possible, the second is to use empathy to anticipate a healthcare consumer's needs and fundamentally improve the journey.

The patient experience is emotional. Providers, insurers and pharmaceutical companies can improve their relationships and increase efficiency by applying an emotional lens to personas and journey mapping.

Marketers are familiar with persona design as a fundamental tool for better understanding the audiences they serve. In combination with journey analysis and design, personas can help guide everything from messaging schedules, content development and brand language to process and product design.

There are a number of ways to analyze the emotional experience, but age is one of the most straightforward. It is a reasonable proxy for key variables such as a patient's comfort with or demands for digital services and communication.

Age can also broadly predict a patient's feelings about the particular process they're engaged in. For example, happiness with the healthcare experience is lowest for those between 35 and 55 years of age. This group is in the crosshairs of the costs and bureaucracy of healthcare, often having to deal with healthcare issues for themselves, children and older relatives.

In some respects, this group relies more on digital channels and services than even the youngest respondents. They are the most likely demographic to say that an internet search would be their first action whether a symptom is trivial or significant.

People in this demographic have no time to spare and enormous responsibility. Thinking about them in this context should inform any healthcare marketer considering their emotional journey.

#3. To deliver a better patient experience, understand patients' data

Many healthcare companies are still relatively early in their technological and structural approaches to the patient experience. Only 28% of healthcare and pharmaceutical organizations report having an integrated, cloud-based technology for marketing and customer experience management. Similarly, only about one in five have put in place a cross-functional team that's organized around the patient journey.

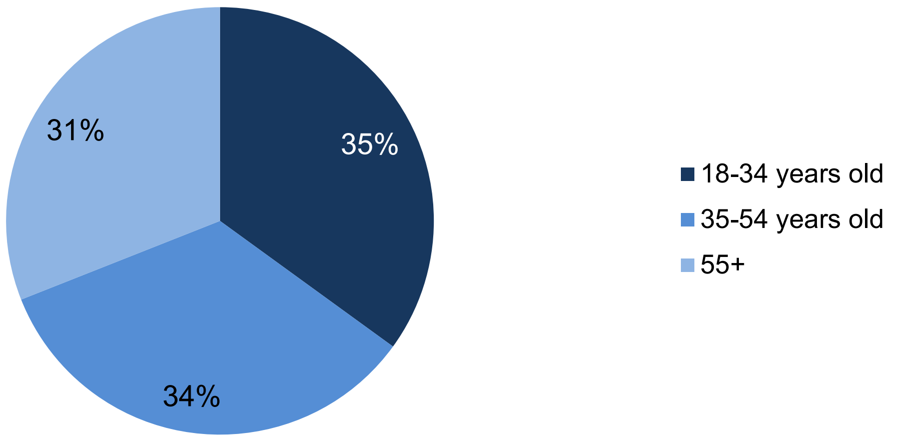
Those that have taken these steps are more likely to be leaders in experience and most importantly, to be beating targets.

Modern healthcare marketing has to make the leap to understanding its consumers as individuals. The exchange of data for value is essential to better understanding what patients need, and delivering a consistent, responsive experience.

These observations may seem simple, but clearly the opportunity exists for legacy healthcare payers and providers to better engage their customers how and where they want to be engaged. Providing additional digital access points, emphasis on convenience and self-service opportunities, and simplification of the overall experience are the proverbial "low-hanging" opportunities to provide what consumers are demanding and aspire toward personalization and empathy. Understanding your consumers as individuals requires use of the data you have already collected and are actively collecting. Personalization and empathy require generation of dynamic content based upon that data, executed with an eye toward privacy, security and staying within the bounds of regulatory compliance. The industry is ripe for significant disruption, and consumers welcome the prospect, but they still trust legacy healthcare payers and providers with their data more than they trust other potential disruptors – the window of opportunity is now.

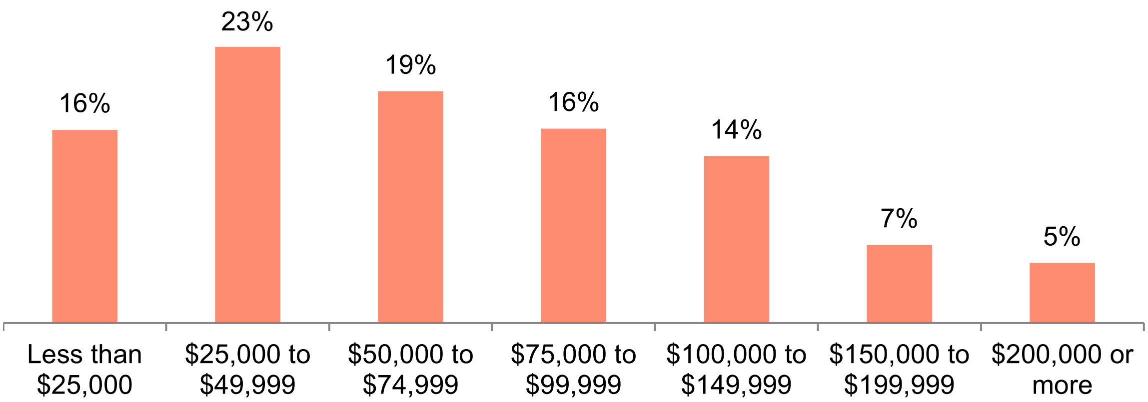
8. Appendix: Respondent Profiles

Figure 15. Respondent ages



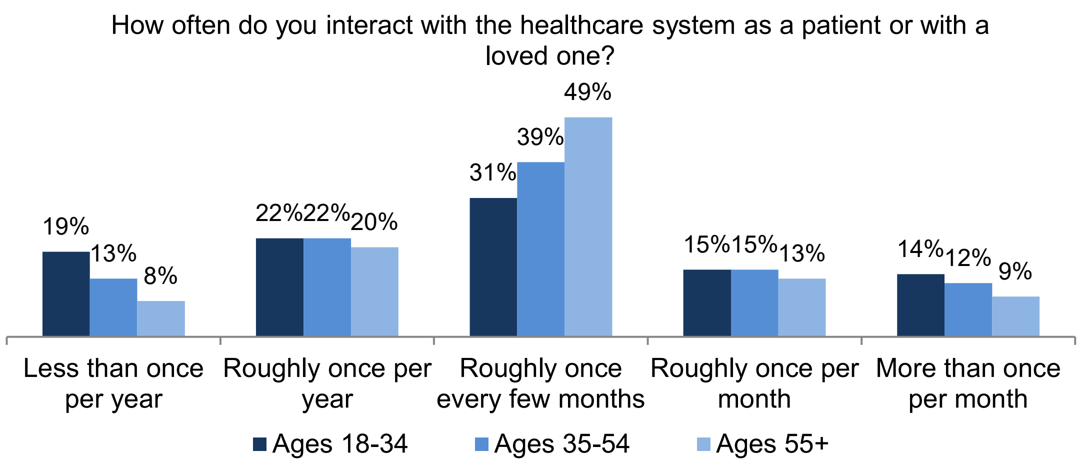
N=2,096

Figure 16. Respondent income ranges



N=2,094

Figure 17. Interaction with the healthcare system



N=2,094