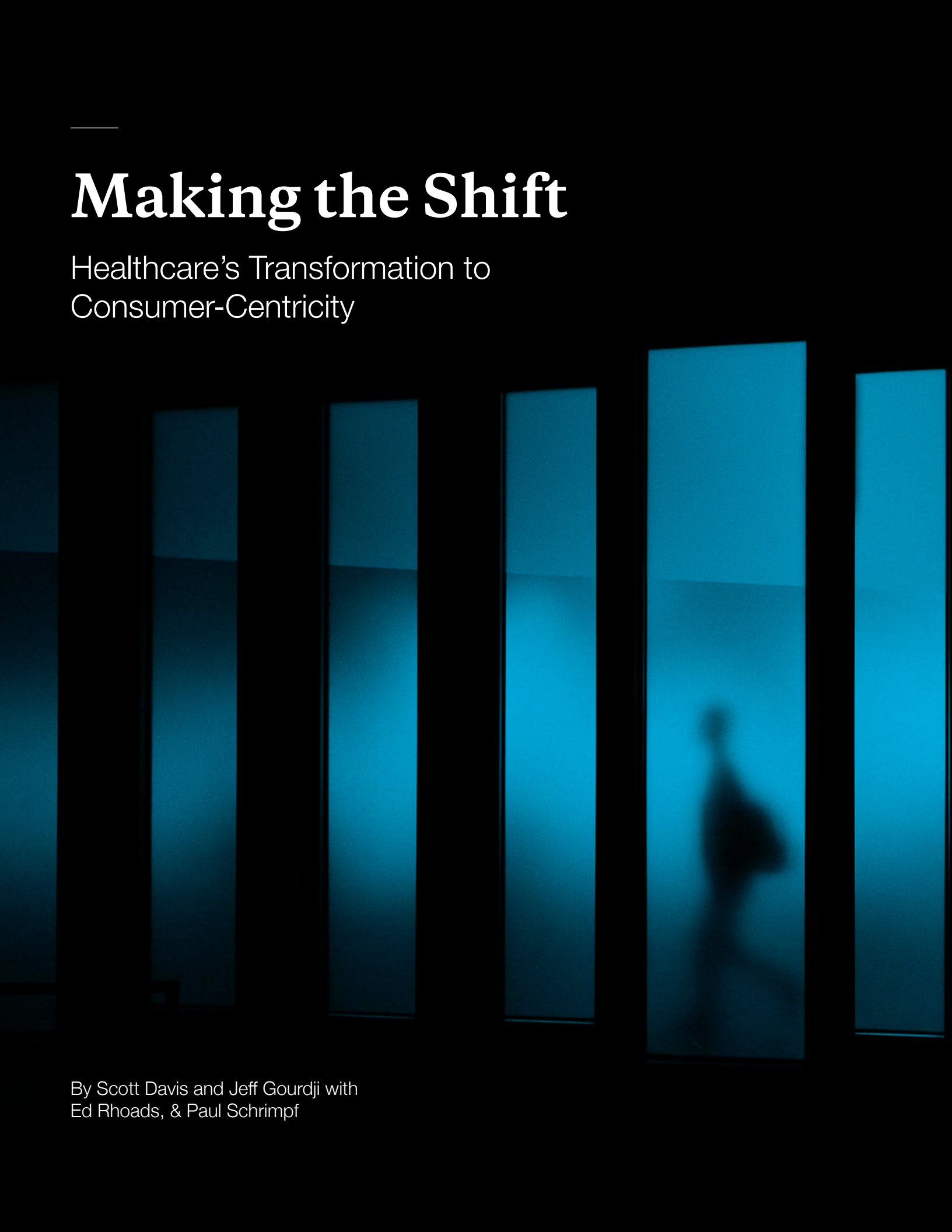


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# Making the Shift

Healthcare's Transformation to  
Consumer-Centricity

By Scott Davis and Jeff Gourdji with  
Ed Rhoads, & Paul Schrimpf





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# Executive Summary

With the rise of digital technology, consumers have unprecedented power. Consumers expect business categories like retail and consumer goods to provide individual experiences across both the physical and digital worlds. While other businesses are shifting their focus toward delivering meaningful and valuable consumer experiences, healthcare has largely stayed the same. And, until recently, it hasn't had the imperative to change. However, pressures from governments and employers to lower costs and pressures from consumers to meet ever rising expectations means that driving consumer engagement and redefining how healthcare organizations interact with people is **no longer a luxury, but a necessity**.

While healthcare organizations are feeling pressure to upgrade their consumer experience, with a focus on how to engage and empower consumers, the path to accomplishing this is unclear. To shed some light on what these organizations need to do, Prophet conducted in-depth interviews with over 50 executives at various healthcare organizations including hospital systems, payers, pharmaceutical companies and digital health companies across the U.S., Europe and Asia. Based on conversations with executives from providers like Mayo Clinic, Geisinger Health System, Intermountain Healthcare, Northwestern Medicine, United Family Health; payers like Aetna, Cigna, Anthem, Blue Cross Blue Shield and AIA; and leading pharmaceutical companies like Pfizer, Novartis, and Eli Lilly and Company, Prophet identified five key shifts that healthcare organizations need to make to become more consumer-centric. The following report explores these five shifts and discusses specific ways organizations can make them.

## SHIFT 1

### From Tactical Fixes to an Experience Strategy

## SHIFT 2

### From Fragmented Care to Connected Ecosystems

## SHIFT 3

### From Population-Centric to Person-Centered

## SHIFT 4

### From Incremental Improvements to Pervasive Innovation

## SHIFT 5

### From Insights as a Function to a Culture of Consumer Obsession

# The Case for Change in Healthcare

## A New World, Centered on Consumers

With the rise of digital technologies, consumers have unprecedented power. They have greater access to all kinds of information, providing more choices and flexibility for what they consider, buy and share with others. Consumers have greater access to their favorite brands' values and inner workings. Beyond the freedom and knowledge that consumers have today, they have also become great influencers. They have extraordinarily powerful voices—able to persuade peers, and in some cases, even transform brands.

This consumer-centric world has made it necessary that every business thinks and acts like a technology company. The new guard of Apple, Sephora, Spotify and Netflix provides guidance on how to build and deliver world-class consumer experiences. Yet, despite all the changes and guidance from other industries, healthcare has largely stayed the same.

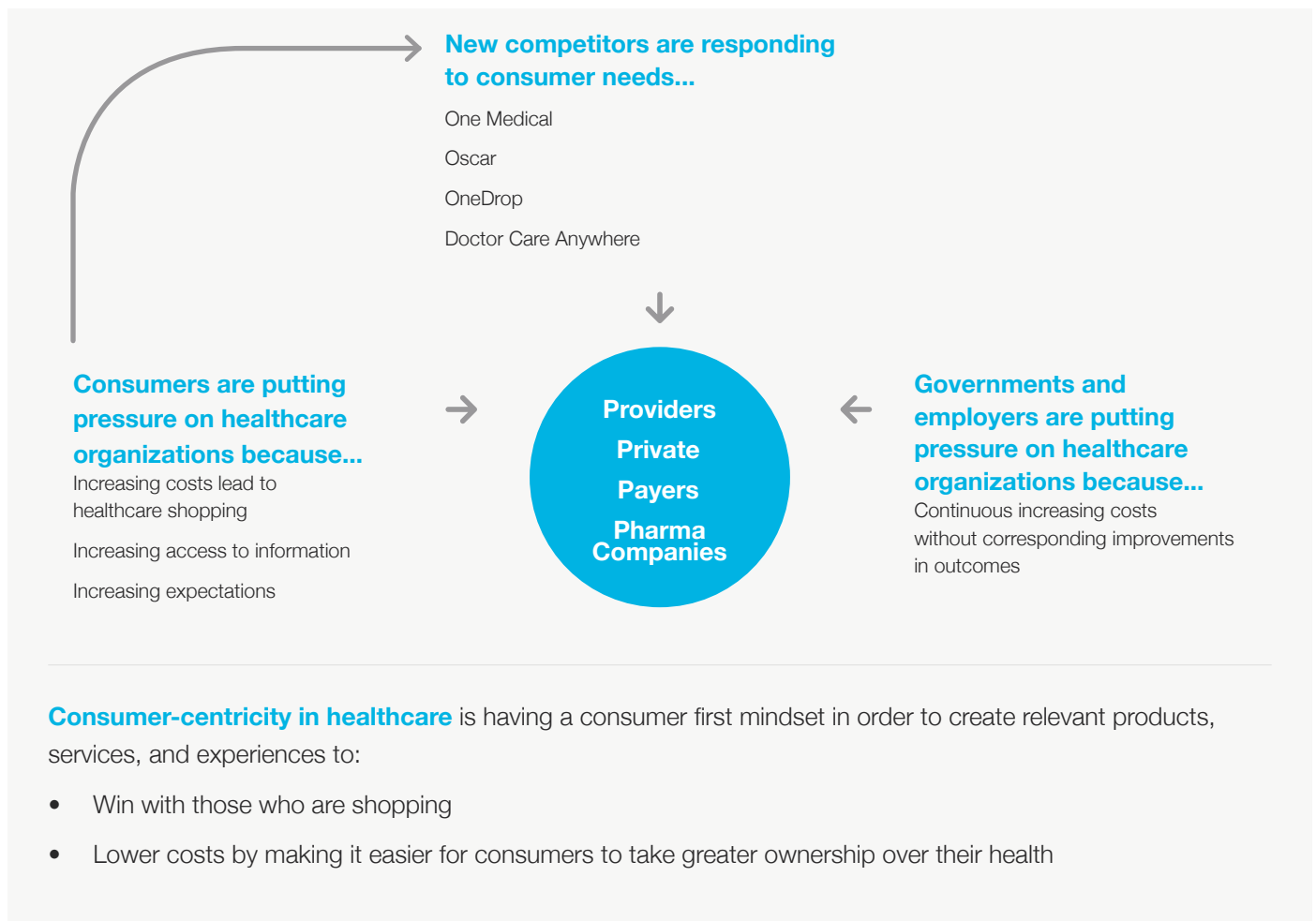
## What's the Deal with Healthcare?

Healthcare continues to frustrate consumers. [Prophet's Patient Experience Study](#) discovered the depth of this discontent. An alarming 81 percent of consumers are dissatisfied with their healthcare experiences, and the happiest are those who interact with the system the least. The percentage is concerning, but given the circumstances, this is hardly shocking.

Anyone who has interacted with the healthcare industry is familiar with its faults: insurance plans full of jargon that no one understands, long wait times for appointments and procedures, bills that arrive in the mail months after a visit, lack of coordination between physicians, insurers and pharmacies. Consumers want healthcare to be convenient, connected and tailored to their own needs. They want and expect seamless experiences and solutions that make their lives easier, not more complicated. But more often than not, the end result is just the opposite.

## The Imperative to Become More Consumer-Centric in Healthcare

Historically, healthcare organizations haven't had an imperative to empower and engage consumers. Consumers didn't expect it and healthcare organizations' survival was not dependent on winning with consumers. But now that the shift to consumer centricity is inevitable; healthcare organizations are feeling extreme pressure from consumers and those that ultimately pay for healthcare—governments and employers (in the U.S.). While the reasons each group is demanding consumer centricity is different—the result is the same: healthcare organizations must change and put the consumer first.



“The industry is changing and you have to look at every decision, regardless of what role you have in the organization or leadership level. You have to believe in it and imagine its impact through the eyes of the consumer.”

CARL ARMATO, CEO, NOVANT HEALTH

INTRODUCTION

## Consumers Put Pressure on Healthcare Organizations

As the healthcare industry changes and the world becomes more centered around consumers, healthcare organizations are feeling pressure from consumers to shift for three primary reasons...

### 1. CONSUMERS ARE SHOPPING FOR THEIR CARE

“When you have consumers playing an ever-increasing role in brand selection, as well as paying more out of their own pocket for healthcare, especially for drugs, you have to create a value that really resonates with them to win.”

THANE WETTIG, VP OF GLOBAL MARKETING, ELI LILLY AND COMPANY

Across the globe, patients are feeling the heavy burden of healthcare. Rising healthcare costs are expected to outpace population growth at least 4X from 2017 to 2020<sup>1</sup>. And, as consumers are responsible for more of their healthcare costs, they are becoming more discerning shoppers. A patient’s time searching for a physician, her ability to schedule an appointment when convenient, her time spent in the waiting room, her appointment follow-up, her experience filling and paying for a prescription and the support she receives managing her health become far more important when the price tag is so high.

#### Across the globe, consumers are increasingly footing the bill...

U.S. Patients



86%

increase in worker contribution to health insurance premiums from 2005-2015<sup>2</sup>

European Patients



1.5X

increase in costs of mandatory health insurance per capita in Germany 2006-2016<sup>4</sup>

Chinese Patients



63%

increase in Chinese spending on medicines, healthcare products and services on Alibaba’s sites between 2013 and 2014<sup>6</sup>

67%

increase in employee deductibles from 2010-2015<sup>3</sup>

7%

increase in out of pocket private healthcare expenses in U.K. from 2010-2015<sup>5</sup>

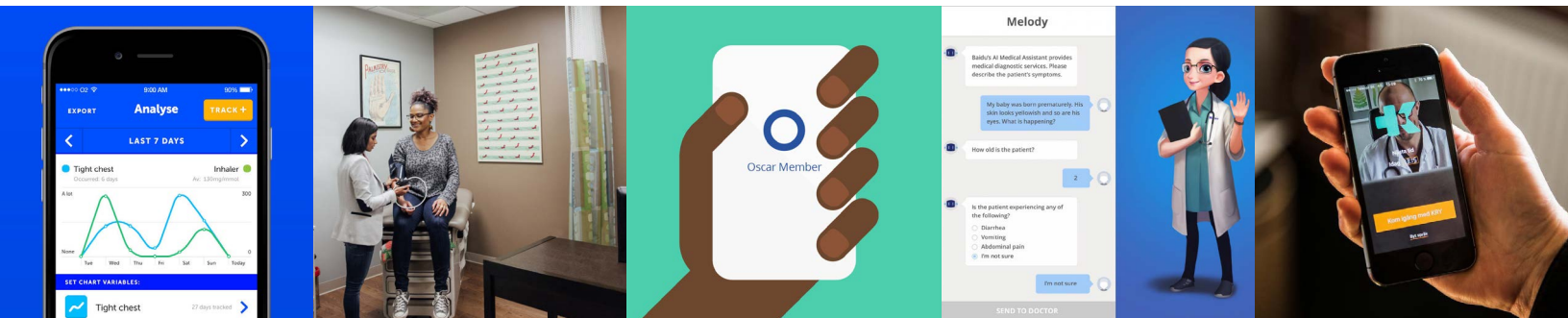
3.3X

expected increase in Chinese insurance premium revenue from 2014 to 2020<sup>7</sup>

## INTRODUCTION

### 2. CONSUMERS ARE MORE INFORMED

Historically, information about healthcare has been left to the experts, but today consumers have access to enormous amounts of information about healthcare. Consumers can go on ZocDoc to look at physician reviews and share good and bad experiences with other healthcare consumers. They can read about healthcare treatments online and are often influential in determining what drug their physician will prescribe to them. And, while not perfect, the costs of care are no longer a complete mystery; many can go online and get an estimate for what care will cost. They are no longer passive participants in their health. Like in other industries and categories, consumers are starting to take control.



### 3. CONSUMERS' EXPECTATIONS ARE RISING

“Consumerism within healthcare means being able to transform healthcare and the delivery of healthcare in a way that a consumer would receive others services in other industries.”

REYNICK MARTINEZ, CHIEF MARKETING AND COMMUNICATIONS OFFICER, PRESENCE HEALTH

As mentioned, non-healthcare organizations have raised the bar when it comes to creating and delivering world-class consumer experiences. In today's “anywhere, anytime,” environment, consumers now expect their relationship with organizations to be connected, seamless and personalized. Consumers are now demanding the same thing from healthcare organizations. They want healthcare to be convenient to access, connected within a broader ecosystem, and personalized to meet their specific needs. In this new world, where the consumer has more power, organizations that partner with and engage consumers at every step of the journey are the ones that will win.

Consumers are eager and open to take control of their health and open to new ways of managing their health. The big question is whether or not healthcare organizations are willing to support them in their desire for more control.

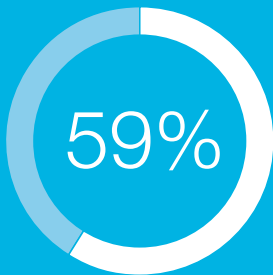


## INTRODUCTION

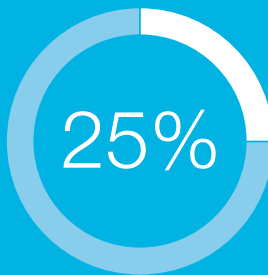
# Governments and Employers are Putting Pressure on Healthcare Organizations

With rising healthcare costs across the globe, governments and employers who fund healthcare are putting pressure on healthcare organizations to lower costs and think differently about how they create value.

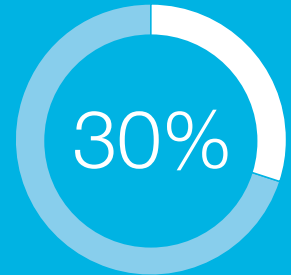
- Providers, particularly in the U.S., are increasingly getting reimbursed based on value and not volume. A continued shift to value-based reimbursement seems inevitable, which means consumer engagements that keep patients healthier is how healthcare organizations will remain financially stable in the future. In fact, U.S. payers predict 59 percent of all payment models by 2021 will be a mix of capitation, pay-for-performance and episodic payment, all various forms of value-based care.<sup>9</sup> This also means that private payers need to be equipped to deliver on risk based contracts. In more publicly-financed healthcare models around the globe, healthcare costs are rising faster than population growth, which will continue to squeeze public resources.
- Pharmaceutical companies are shifting to a world where they too will be reimbursed based on outcomes. 1 in 4 U.S. health plans already have at least one outcomes-based contract with a drug manufacturer, and 30 percent of health plans are currently negotiating one or more such contracts.<sup>9</sup> This shift puts the entire industry on precarious footing. If a large insurance company, like United Healthcare, were to holistically tie reimbursements to long term outcomes, the entire healthcare industry would have to transform, and transform quickly.



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of health plans are currently negotiating one or more such contracts.<sup>27</sup>



## **Rise In New Competitors Threaten Traditional Healthcare Organizations**

The combination of these pressures has created an opening for new competitors to disrupt traditional healthcare organizations by meeting needs of consumers and showing them what healthcare could potentially be. The American market has been flooded with these companies like TeleDoc, American Well, Heal, and Doctors on Demand that all offer care in a variety of easy-to-use channels and formats that empower consumers. Although this trend is strongest in the American system due to privatized healthcare, it is emerging in global markets, including the U.K. (Doctor Care Anywhere), France (MesDocteurs), Nordics (Kry) and China (Dr. Baidu). This rise of new competitors means that redefining how traditional healthcare organizations interact with consumers will be critical to their long-term success.

## **Consumer-Centricity in Healthcare: Change or Fail**

While healthcare companies are feeling pressure to upgrade their consumer experience, with a focus on how to engage and empower consumers, the path to accomplishing this has been unclear. To find out what healthcare organizations need to do to reshape themselves for the modern era, Prophet conducted in-depth interviews with executives at large hospital systems, private payers, pharmaceutical companies and digital health companies, around the globe.

# The Healthcare Shifts: Overview

Based on conversations with over 50 executives from providers like Mayo Clinic, Geisinger Health System, Intermountain Healthcare, United Family Health; payers like Aetna, Cigna, Anthem, Blue Cross Blue Shield and AIA; and leading pharmaceutical companies like Pfizer, Novartis, and Eli Lilly and Company, Prophet identified five key shifts that healthcare organizations need to make to become more consumer-centric. While each shift is interrelated, given that the consumer experience touches every facet of an organization, each one is powerful on its own.

### SHIFT 1

#### **From Tactical Fixes to an Experience Strategy**

While healthcare organizations often start enhancing consumer experiences in one-off initiatives (i.e., reducing waiting room times), they should move toward optimizing the entire healthcare journey as a strategic priority. Doing so requires establishing a vision for the organization, hiring the right leaders to take charge, and creating an experiential plan to change and win with consumers.

### SHIFT 2

#### **From Fragmented Care to Connected Ecosystems**

Although payers, providers and pharma companies are finding new ways to work together, the healthcare journey is still fragmented for most patients, causing frustration, inefficiencies and high levels of dissatisfaction. Operating in a healthcare ecosystem, rather than in a stand alone entity, is the only way those in the healthcare value chain will survive and thrive in the future.

### SHIFT 3

#### **From Population-Centric to Person-Centered**

Healthcare organizations must move away from creating products, services, and experiences for groups of similar consumers, such as those who have the same condition or those that fall into the same demographic. Health organizations must begin to create products, services, and experiences for consumers based on their individual needs.

### SHIFT 4

#### **From Incremental Improvements to Pervasive Innovation**

Instead of settling for small and time consuming improvements to already established systems and processes, organizations should reimagine innovation. They need to consistently adopt both an innovative and a minimally viable product mindset, using a portfolio of innovative approaches, to spark change.

### SHIFT 5

#### **From Insights as a Function to a Culture of Consumer Obsession**

Establishing insights as a function is critical to gathering intelligence on the consumer, but it's not enough. Healthcare organizations need to create a culture of consumer obsession, where everyone in the organization keeps the consumer front and center at all times. Organizations can build this by creating an Insights Operating System (IOS).

## Accelerating Progress Towards Becoming Consumer-Centric

Shifting an organization to become more consumer-centric is hard work and will take time. However, there are two interrelated change initiatives that an organization can make to accelerate progress. The first is to remake the organization's culture to support the consumer-centric vision. Organizations that are making progress on these shifts have invested resources and time into cultivating a consumer-first culture at their organizations. These organizations use a change in culture to elevate the consumer's voice across all aspects of decision throughout the organization, inspire innovative thinking in all employees, and catalyze holistic change. The second is to undertake a digital transformation of how the organization does business. To deliver on the experiences that consumers expect and to produce better outcomes, "digital" can't be a standalone set of activities or something left to a specific department. Rather it must become part of how an organization thinks about the problem. As Altimeter principal analyst Brian Solis writes in [Race Against Digital Darwinism](#), "Digital transformation is more than just digital; it's about remodeling businesses to be agile, innovative, and customer-centric at their core." Digital transformation and culture are present across all five shifts and are important to highlight as indispensable components of healthcare's transformation to consumer-centricity.

## SHIFT ONE

# From Tactical Fixes to an Experience Strategy

While healthcare organizations often start enhancing consumer experiences in one-off initiatives (i.e. reducing waiting room times), they should move toward optimizing the entire healthcare journey as a strategic priority. Doing so requires establishing a vision for the organization, hiring the right leaders to take charge, and creating an experiential plan to change and win with consumers.

“At Novant Health, consumer experience is approached holistically. It is built into every strategic element we have.”

CARL ARMATO, CEO, NOVANT HEALTH

## Challenge

Despite the importance of consumer experience (CX), many healthcare organizations begin with one-off initiatives (virtual appointments, reduced waiting room times, online billing), instead of creating a cohesive journey that ladders up to a broader strategy. As Louis Zollo, Director of Global Portfolio Development at Teva Pharmaceuticals, said, "There are a tremendous number of dead apps and ineffective online programs that don't actually create any value. People don't use them and they only take up space." When CX is approached through disjointed initiatives, it is difficult to create the best possible experience for consumers. Many organizations lack the vision, culture and scale to truly execute on an integrated, seamless consumer experience. This is a set-up for misaligned expectations and outcomes.

### **Minimal consideration of the totality of the experience**

As George Sauter, Chief Strategy Officer at John Muir Health, said, "Many health systems have interpreted consumer-centricity to be primarily those face-to-face moments with the doctors, nurses and other care providers, that is when we listen. But where we are falling down is with the systems we have in place that get patients to those moments with the doctor."

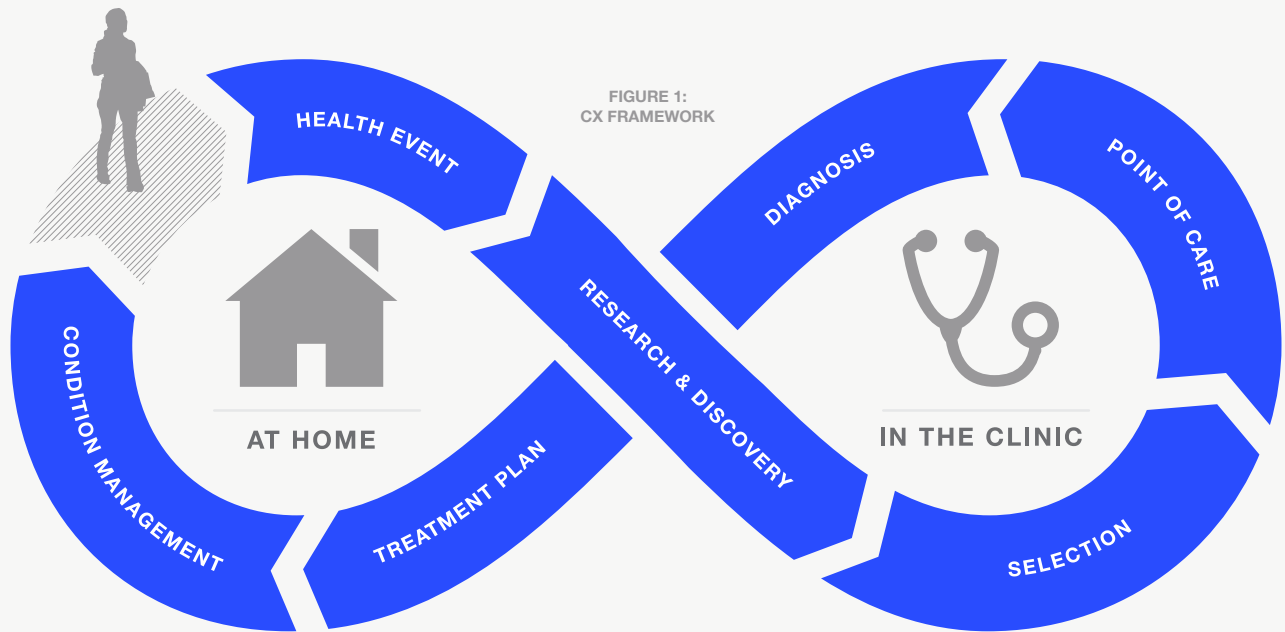
### **A vision without support**

Natalie Schneider, VP of Customer Experience at Anthem, shared that consumer-centricity had been one of three strategic priorities at Anthem. Yet, at the annual investor relations conference in 2014, the CEO looked at how the company was approaching CX, and there was not much to show for it. It wasn't until after this moment that Anthem mobilized a consumer experience team and fortified their voice of the consumer capabilities. Since that time, they've tackled one of the healthcare's largest consumer transformations and increased their NPS in the double digits.

SHIFT ONE

## Solution

Instead of looking at each CX interaction individually, organizations should prioritize creating a holistic experience that optimizes the consumer journey, not just the parts of the journey where the consumer is interacting with its organization. Most of people's lives, even if they are managing a chronic condition, is spent outside of direct interaction with the healthcare industry. While many organizations deprioritize these touchpoints, these moments influence consumer behavior and are ripe for greater engagement. By understanding the entire consumer journey, healthcare organizations are able to move away from one off initiatives and begin building a cohesive strategy. To ensure organizations consider the entire journey, Prophet uses a framework that forces teams to think holistically about a consumer's journey by mapping out both the key steps when they interact with a healthcare organization and when they are living their day to day lives. In figure 1 below the patient has a health event that brings her in contact with the healthcare organization, but even after receiving care there is opportunity for engagement.



# Elevating the Consumer Experience: How to Make the Shift

To keep consumers engaged along the entire journey, healthcare organizations must elevate consumer experience to a strategic priority.

How to make the shift:

1. Set a Bold Vision that Inspires and Guides the Organization
2. Build CX Capabilities
3. Build Internal Momentum

## 1. SET A BOLD VISION THAT INSPIRES AND GUIDES THE ORGANIZATION

To be truly consumer-centric, organizations need to move beyond ad-hoc fixes and clarify a holistic vision for the experience that will inspire the organization and better serve consumers. When an organization sets the vision, it can focus on aligning to the organization's culture and values, or it can use the vision as a catalyst to change the culture. For a place like Mayo Clinic, where patient-centered care is the bedrock of the organization's culture and reputation, this is of utmost importance. "When you try to introduce a new idea to the organization, you are likely to face resistance," said Mayo Clinic President and CEO, Dr. John Noseworthy, "but if you can put the idea in the context of patient-centered care, they will love it and innovate around it."

Once a vision has been set, it must be transmitted throughout the organization. Conversations with executives uncovered various ways organizations are successfully accomplishing this:

### A bold declaration from the CEO

When Dr. David Feinberg, M.D. became CEO of Geisinger Health System, a regional health system in Pennsylvania, he shifted the organization's focus to consumer experience. His [ultimate goal](#) was "eliminating the waiting room and everything it represents. A waiting room means we're provider-centered—it means the doctor is the most important person and everyone is on their time."

Geisinger Health System's Chief Informatics Officer Alistair Erskine added, "We began to ask, 'how can we make it so when people step into a hospital, they don't feel like they stepped into a hospital?'" Because of Dr. Feinberg's leadership, the patient experience has become a top priority at Geisinger Health. To deliver on this vision, they launched ProvenExperience, a refund program under which consumers who are dissatisfied with the care they received at a Geisinger facility can request a refund for their co-pay. Within a year of launching the program Geisinger had refunded nearly \$500,000 to patients. ProvenExperience has galvanized the organization to operate with the consumer at the center of everything they do. Every time Geisinger issues a refund, it learns where the greatest pain points are and where there is opportunity for improvement. Geisinger has also put an aggressive goal of having a Net Promoter Score (NPS) in the top 10 percent of all brands.



## SHIFT ONE

### Galvanize and codify service standards and organization fundamentals

Some organizations have formalized their vision and values for consumer-centricity in the form of service standards and organizational fundamentals. These principles are meant to support the vision and offer ways to bring it to life. By formalizing these values, they become pillars of an organization and a mission that employees can rally around. U.S. health systems like Novant Health, Intermountain Healthcare and Piedmont Healthcare are each using this approach effectively.

#### EXAMPLE PROVIDER SERVICE STANDARDS

Below are the service standards that these organizations have formalized to inspire consumer-centricity among their employees

FIGURE 2



#### Novant Health Standards of Service

- Know Me
- Respect Me
- Care About Me
- Delight Me



#### The Piedmont Way

- Lead with Human
- Connect the Journey
- Anticipate Needs
- Create Uplifting Moments
- Enrich with Technology



#### Intermountain's Fundamentals of Extraordinary Care

- Safety
- Quality
- Patient Experience
- Access
- Stewardship
- Engaged Caregivers

### Bring meaningful metrics into the conversation

Once the vision has been set, the organization needs to think about what metrics it should put in place to ensure it makes progress against its vision. While it is important for organizations to understand touchpoint performance, it is even more important that they grasp the state of their relationship with consumers. “Based on our market research and the consumerism movement, we believe that we need to move to a patient loyalty metric as our ultimate success measure of success as opposed to the historic focus on patient satisfaction,” says Mike Yost, VP of Marketing, Outreach and Experience at Indiana University Health, a regional health system in the U.S. “Patient satisfaction will continue to be highly important as it is foundational to loyalty. However, we need to raise the bar and understand how to create customer loyalty in healthcare. Based on our customer research, we are learning that we need to find new ways to connect with our patients and make the experience more personalized to them.”

## 2. BUILD CX CAPABILITIES

To elevate the consumer experience, there are two important components to consider: Who is leading consumer-centricity efforts? And how can the team be structured to best support these efforts?

## SHIFT ONE

### First, organizations must hire the right leader to champion CX

Consumer-centric organizations are often led by individuals with a CX-first mindset. While these leaders come with an array of important credentials, the most effective tend to have a blend of backgrounds across healthcare, strategy and other consumer-centric industries. Through discussions with healthcare executives, three CX leader archetypes emerged, all ready to drive CX change:



#### The Healer

*Prakash Patel, M.D., COO, Guidewell & Florida Blue and President GuideWell Health*

Healers tend to bring a different level of credibility and authority to the entire CX conversation, as they both own and deliver the experience. The biggest challenge Healers face is not being able to draw from a portfolio of outside experiences, requiring them to surround themselves with a leadership team that brings balance to the role.

With training from Cornell University Medical College, Dr. Patel is an example of that rare leader who combines deep business background with clinical understanding. They understand the ins and outs of the industry, are familiar with its unique challenges, and are typically committed to building experiences that ensure trust and quality care for patients. Dr. Patel, for example, is intent on bringing a highly personalized touch to the way health insurance is delivered and led the development of programs like Florida Blue's Place of Delivery Teams (PODs), which combine multi-disciplinary clinical and non clinical teams working on a localized basis that can include even meeting patients and providers directly. "We are interfacing in a much more hands-on, integrated environment with customers and their providers," he says. "We want to do something different than the old paradigm of having a centralized call center."



#### The Strategist

*Dave Edelman, Chief Marketing Officer, Aetna*

Strategists have had the benefit of seeing what has and has not worked in a myriad of outside categories and can bring in best practices, tailoring them specifically to healthcare. By using their expertise to quickly put points on the board, they are able to gain credibility.

As a former consultant for McKinsey & Company, leaders like Edelman have extensive experience working with companies across an array of industries, helping them implement new strategies and processes. These leaders bring a strategic perspective to healthcare and are skilled at introducing models from different industries. That kind of thinking led Edelman to modify Spotify's innovation framework for Aetna: Cross-functional teams work together as start-ups to bring new ideas to life. Before Aetna, Edelman used this method with his clients and because of his implementation experience, it's working at Aetna, too. "We get cross-functional teams together in war rooms to focus, and get stuff moving with fast iterative cycles," he says. "These test-and-learns are powered by data."



#### The Consumerist

*Jill Chandor, Senior Administrator, Mayo Clinic*

Consumerists often bring the richest experiences to the table having led and operated CX in other categories, but they usually are the furthest away from the practice of health of all leader archetypes. Getting CEO alignment is critical to making the internal shifts that consumerists have seen work in other categories.

Jill Chandor came from 19 years in the fiercely competitive retail banking business to Central DuPage Hospital before it was acquired by Northwestern Medicine and Chandor became its Chief Marketing Executive. Chandor moved to Mayo Clinic in 2016. Leaders like Chandor bring a reflexive instinct of "patients as consumers" and a new perspective to healthcare. They understand the power of insights, know the importance of experiences and content, and push new thinking. Chandor says, "Healthcare insiders know almost too much and need to remember that their own compelling reasons to believe are often quite different from those that resonate with consumers. Having an outsider's perspective helps you inspire simple, relevant messages founded in consumer research ... even if they are not motivating to healthcare professionals individually."



Once the leader is in place, the next step is to examine the team structure and ensure the right talent is in place.

### **Marketing owns CX**

At Aetna, CX is part of the marketing department, along with insights. This works when Marketing is viewed as being a key player in strategic decisions, Marketing can deliver quick wins to build credibility, or the organization invests in the marketing team through a strategic hire.

### **A centralized team owns CX**

Other organizations, like Piedmont Healthcare, have a centralized CX team made up of cross-functional players. This works when separating CX from Marketing elevates the importance of CX within the organization, particularly when Marketing has been historically thought of primarily as a communication's function.

### **A decentralized team owns CX**

Biotechnology company Amgen believes having a decentralized team of patient-centricity experts is the way to go. Amgen supports dedicated leads who sit across the organization and ensure the patient voice is represented throughout the organization.

## SHIFT ONE

### 3. BUILD INTERNAL MOMENTUM

In order to build momentum for this new consumer-centric approach, organizations should apply the following measures:

#### **Engage employees at all levels in strategic decisions**

Indiana University Health garnered support for its brand promise, which informs the experiences, services, and products provided by IU Health, by working with a team of cross-functional leaders to co-create the promise. The team also got input from over 7000 team members and consumers in the creation of the promise. “We believe that it was critical for team members to be a part of the development of our promise. We want them to own it and to feel proud delivering on it,” says IU Health’s Mike Yost.

#### **Make consumer-centricity an organization-wide initiative**

Jill Chandor, previously VP of Marketing at Central DuPage Hospital in Illinois, explained a program that was put in place to address the sharp divide between the medical staff and the hospital administration. Prior to the program, physicians felt their voices were not respected, and that they were prevented from practicing medicine the way they wanted. In response, the administration set up a program in which doctors could propose new ideas for their practices and receive 50 percent of the savings that resulted from their successful implementation.

#### **Build internal coalitions**

When Edelman started at Aetna as Chief Marketing Officer, he understood he was building a function from the ground up, and had to learn how best to support the greater organization. He spent his first six months getting to know the other departments at the company, looking for new ways that Marketing could support them. This sharpened his perspective and earned him allies. “You are not going to do it alone,” he says, “You need to build bridges across the organization, including Finance and Analytics.”

#### **Put your money where your mouth is**

Another way companies bring employees on board is by linking compensation to Net Promoter Scores (NPS). Anthem ties a meaningful portion of all employee compensation to its NPS and United Family Healthcare, an international care provider, closely ties its NPS scores to compensation.

When healthcare organizations set a bold vision that inspires the organization, develop CX capabilities, and galvanize the organization around it, they can move to creating a holistic experience across all touchpoints. Healthcare organizations can learn from what other organizations have done to create holistic experiences that delight consumers and drive business results. Take for example Sephora, the cosmetics company that has created a shopping experience both inside and outside the store that inspires and empowers consumers. From augmented-reality eyebrows to Instagram-inspired shopping experiences, Sephora has created an engaging and relevant experience that transcends both the digital and physical world. Imagine the improved health outcomes if patients experienced a cohesive journey from the time they were healthy to the time they fell ill, all the way through their recovery.

## SHIFT TWO

# From Fragmented Care to Connected Ecosystems

Although payers, providers and pharma companies are finding new ways to work together, the healthcare journey is still fragmented for most patients, causing frustration, inefficiencies and high levels of dissatisfaction. Operating in a healthcare ecosystem, rather than in a stand alone entity, is the only way those in the healthcare value chain will survive and thrive in the future.

“The system is so fragmented. It is a burden on patients and it is incredibly disempowering”

JEFF DACHIS, CEO, ONE DROP

## Challenge

Imagine a patient named Ben with a bad knee. Ben is told the best solution is a knee replacement. It is now his job to schedule an appointment with the surgeon, contact the insurance company about coverage, and decide what pain medication he will take, all while trying to organize his life around missing four weeks of work. Ben will likely have to act as a liaison between his payer and provider, double-check that the appropriate discounts are applied to his medication and manage his prescription refills post-surgery. “Consistently, there is a lack of coordination and cooperation,” says Matt Gove Chief Consumer Officer of Piedmont Healthcare, speaking of other players in the healthcare industry, “None of the big silos are working together in any meaningful way. We are pursuing our own goals.” It should be easier for consumers like Ben to navigate the process of receiving and paying for care. When payers and providers don’t communicate well with each other, and pharma isn’t even at the table, it presents significant obstacles for consumers trying to deal with acute procedures or chronic conditions.

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## Solution

Consumer-centric organizations think through how they can make all experiences easier for consumers, then figure out how to deliver—either through building capabilities internally or by partnering with other organizations. Imagine if Ben’s healthcare experience had been more connected. His provider and payer would have communicated the estimated cost without making him call his payer. Medication discounts would have been automatically applied and the pharmacy would have handled his refills without Ben having to constantly remind himself. Ben would save a lot of time and energy in a more connected system that he could dedicate to recovering and getting back to doing the things he likes to do when he is healthy.

SHIFT TWO

## Moving beyond fragmentation: How to make the shift

Organizations can better serve consumers by knitting this fragmented system together, and helping patients connect disjointed points of service into a more holistic, patient-centered experience.

One way to make these connections is through a framework from Jean-Michel Cossery, VP Oncology North America at Eli Lilly and Company:

FIGURE 3



### Stage 1: Product

The organization offers a drug, service or plan for patients with a certain condition. This is the primary product.

### Stage 2: Product *Plus*

The organization evolves to offer this drug, service or plan along with “wrap around” services such as educational materials, patient support programs and other digital tools. The primary objective is still to sell the product, but also to augment it and drive differentiation.

### Stage 3: *Plus Product*

In this stage, the organization takes a “solution” approach to solving the patient’s problem, layering in products and services as needed to drive the desired outcome. The components will often fall outside the walls of a single organization, requiring coordination and partnership.

Companies outside of healthcare do this more regularly. When Apple first launched the iPhone in 2007, it partnered with AT&T as its network provider. Instead of sending consumers down the street to deal with the clunky AT&T sign-up experience, Apple got consumers to set phones up in its store, using “geniuses” to help them through the process.

In healthcare, experts report a cultural orientation to go it alone in the development and delivery of products, services, and experiences, particularly within pharma and providers. Even coordination within these organizations is challenging. Providers like Kaiser Permanente, Intermountain Healthcare or Geisinger Health System that have built integrated delivery networks from the ground up are an obvious exception, as they start with a great cultural inclination toward coordination. Within pharma, Roche’s acquisition of digital health startup mySugr is a move toward a “*plus product*” solution to diabetic patients.

## SHIFT TWO

Depending on where an organization lives in the healthcare ecosystem, there are several ways it can create a “*plus* product” offering:

### HOW TO GET TO PRODUCT PLUS

1. Identify the most impactful moments that matter
  - What areas are pain points for consumers and which ones are costing the organization money?
2. Consider solutions from the eyes of the consumer
  - How would the consumer want this pain point to be solved?
3. Determine the partnerships that are necessary to design an end to end experience for the consumer and the role the healthcare organization will play

#### **Providers: Lighten the patient’s load**

Mount Sinai Health System in New York City collaborated with a union health fund to add more amenities to knee and hip replacements because it understood how onerous the surgeries could be on patients and their overall workplace productivity. Together, the organizations conducted research on consumer needs and wants to design a program to be a one-stop access point to help patients from the first time they experience pain all the way through post-op care. The program includes three days of free food delivery post-operation, free transportation to and from the medical center and a care navigator that guides the patient from day one. Within a year of launching the program, the union experienced cost savings of more than 10 percent, and saw expedited access and convenience for patients. “We have to ask what can we do additionally, not at the level of the type of care, but more broadly than the care,” says Niyum Gandhi, EVP and Chief Population Health Officer.

#### **Pharma: Strengthen the patient/physician relationship**

Unlike providers and payers, pharmaceutical companies struggle to forge direct relationships with consumers, as there are several layers that exist between the drug manufacturer and the patient. One way pharmaceutical companies can become more consumer-centric is by increasing the value they bring to physicians. Boehringer Ingelheim (BI), a global pharmaceutical company, has teamed up with Propeller Health, a digital-health company that works in chronic obstructive pulmonary disease (COPD) care management. Propeller Health makes a chip that attaches to BI’s RESPIMAT® inhaler and tracks a patient’s adherence data. This allows the physician to see if the patient is taking his or her medication, and, if necessary, get in touch with the patient before he or she becomes ill. “It is a value proposition to the doctor,” says Paul Fonteyne, CEO of BI USA. “We are now a far stronger enabler of their business when their incentives shift to value. We feel much more patient-focused because we know we developed the medications to avoid costly events that no patient would desire for themselves.”



**Payers: Give patients the tools to manage their health**

At AIA, the largest publicly listed pan-Asian life insurance group, partnered with Vitality, a digital health engagement tool, to create AIA Vitality, a program that allows consumers to track their health, personalize their wellness programs, and earn customized rewards for reaching health goals. It's a powerful way to connect with consumers beyond the four walls of the office and integrate the brand into their daily lives. "As you go through the health continuum, everyone will go through good health and ill health at some stage," says Christian Wards, AIA's Director of Group Healthcare. "Consumer behavior and health-seeking behavior are present throughout that whole continuum and we [AIA] have to be present too."

When healthcare organizations adopt a "plus product" mindset, they greatly enhance their value to patients. If the healthcare industry focuses on creating holistic solutions to consumer problems, rather than just optimizing within their four walls, healthcare organizations can alleviate stress and help patients achieve better outcomes. While difficult, other non-healthcare organizations have been successful in creating connections in fragmented industries. Take Chase for example. In the highly fragmented financial industry Chase has used digital technology to simplify the consumer experience, offering services such as connected bill pay, digital check depositing and easy online monitoring of multiple accounts. Healthcare organizations can take a cue from other industries and find ways to make the consumer experience more seamless and convenient.

## SHIFT THREE

# From Population-Centric to Person-Centered

Healthcare organizations must move away from creating products, services, and experiences for groups of similar consumers, such as those who have the same condition or those that fall into the same demographic. Health organizations must begin to create products, services, and experiences for consumers based on their individual needs.

“People define value differently. For someone like myself who is healthy and busy, high-value care is all about convenience and access. And that’s very different from someone who has two different chronic diseases and moves in out and out of homelessness.”

NIYUM GANDHI, EVP AND CHIEF POPULATION HEALTH OFFICER, MOUNT SINAI HEALTH SYSTEM

## SHIFT THREE

### Challenge

Consider a 35-year-old woman named Emma who was recently diagnosed with diabetes. She is a working mom with two children, and a schedule so hectic that she relies on her smartphone for almost everything, from banking to ordering groceries. However, when she is diagnosed with diabetes, her provider sends her home with printed pamphlets with time-consuming recipes and laborious lifestyle advice. Healthcare organizations are good at treating patients as individuals when they are face-to-face with the doctor, but when it comes to interactions and experiences outside of the clinic these organizations typically paint patients with a broad brush. Because Emma's treatment plan lacks personalization, it will be harder for her to control and manage her condition. Healthcare organizations, especially those in the U.S., where healthcare continues to move towards value-based care, will need to learn how to better tailor experiences to engage people on their own terms, in a way that helps them get and stay healthy.

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### Solution

Individualized care means creating experiences that are tailored to individuals' motivations, health status and preferences. While some organizations have tools in place like segmentation, imagine how much easier Emma's journey would be if her doctors offered her a truly customized healthcare experience, one that combines provider support with tools and information relevant to her specific challenges. Many organizations only focus on ease and simplicity of experiences, but those can't come at the expense of relevancy. Sometimes relevancy can be complex and unfold over time. To create relevant experiences, data and insights is key.

## SHIFT THREE

# Making it personal: How to make the shift

While most healthcare organizations do not have the financial means that other categories do to invest in advanced analytics, they can make progress in customization by adopting two strategic approaches:

1. Move from populations to groups
2. Move from groups to individuals

### 1. MOVE FROM POPULATIONS TO GROUPS

To better serve different groups of people, healthcare organizations can start with a better grasp of various patient profiles and how best to engage and motivate them. This requires getting to know consumers beyond their demographics, and exploring their needs and attitudes towards health.

#### How Novant Health Manages and Operationalizes Segmentation

Building on the momentum of Novant Health's brand launch, the health system gained rich consumer insights through a rigorous consumer segmentation exercise that combined market research, CRM data, and the continuous flow of data to improve the consumer experience.

First, the health system conducted rigorous research for its segmentation solution. The research included more than just patients, but also potential patients and caregivers. These insights led to uncovering six key segments...



**Eager and Engaged Stewards:** actively involved with healthcare, and many are in the "sandwich generation."



**Savvy and Connected Patients:** enjoy taking care of their health and are looking to maintain and increase their involvement in healthcare



**Healthy and Unconcerned Individuals:** want as few interactions as possible and engage with healthcare providers only when necessary



**Cost-Conscious Guidance Seekers:** generally frugal but will pay for access to services that they value



**Responsible and Resolute Boomers:** prefer one-on-one care interactions with their providers and are averse to alternative and digital care



**Uninterested and Unengaged Individuals:** attribute minimal value to an improved care experience



Next, Novant Health activated this segmentation by creating new services and experiences that resonated with the target consumers living within each of these segments. This included a new messaging strategy, and analytics on the best use of media to reach them. The system is also piloting a typing tool to more authentically engage consumers. Novant Health also conducted behavioral economics research to understand patients' emotions and is currently developing a curriculum to enhance and tailor provider and patient communication.

Importantly, Novant Health saw segmentation as the only the beginning of the journey to delivering a remarkable experience for every patient, every time. David Duvall, SVP Chief Marketing and Communications Officer, and his team continue to tailor efforts to individual needs by investing in targeted and frequent data collection efforts that help Novant Health become smarter, intuitive, dynamic and agile in delivering tailored experiences by segment (and ultimately individuals), not entire populations. These insights have led to numerous new products and services in the areas of cost clarity, digital integration, and expanded access.

By learning about consumers at a deeper level, healthcare organizations can begin to build experiences, communications approaches, content strategies, personnel training and operational strategies around distinct segments, delivering individualized experiences. As research continues to progress, organizations will be able to collect even more personalized and even genetic information on patients, as well as broader insights about changing health behaviors.

## SHIFT THREE

### 2. MOVE FROM GROUPS TO INDIVIDUALS

Once healthcare organizations understand groups of consumers, they can begin to leverage the enormous amounts of data at their disposal. They can use real-time insights to personalize care and experiences. Some organizations are already tackling this, such as United Family Health, a large Chinese hospital system. It is partnering with WeChat, a popular social media and messaging platform in Asia, to launch an integrated patient portal, helping them to better leverage consumer data and personalize the experience. Blue Cross Blue Shield of Florida is another example. Florida Blue is using voice recognition technology to detect consumers' tenor and tone of voice, matching them with an advocate whose personality is best suited to handling people with angry voices, for example, or those who sound confused. Florida Blue uses a software platform that combines a consumer's journey and contact history with the organization's analysis of its employees' performance. The technology is intended to improve the entire consumer journey and eliminate the need for consumers to call in the first place.

How to move from groups to individuals?

1. Create the data value exchange proposition
2. Determine the mechanism for collecting data
3. Incorporate the data collected into the experience

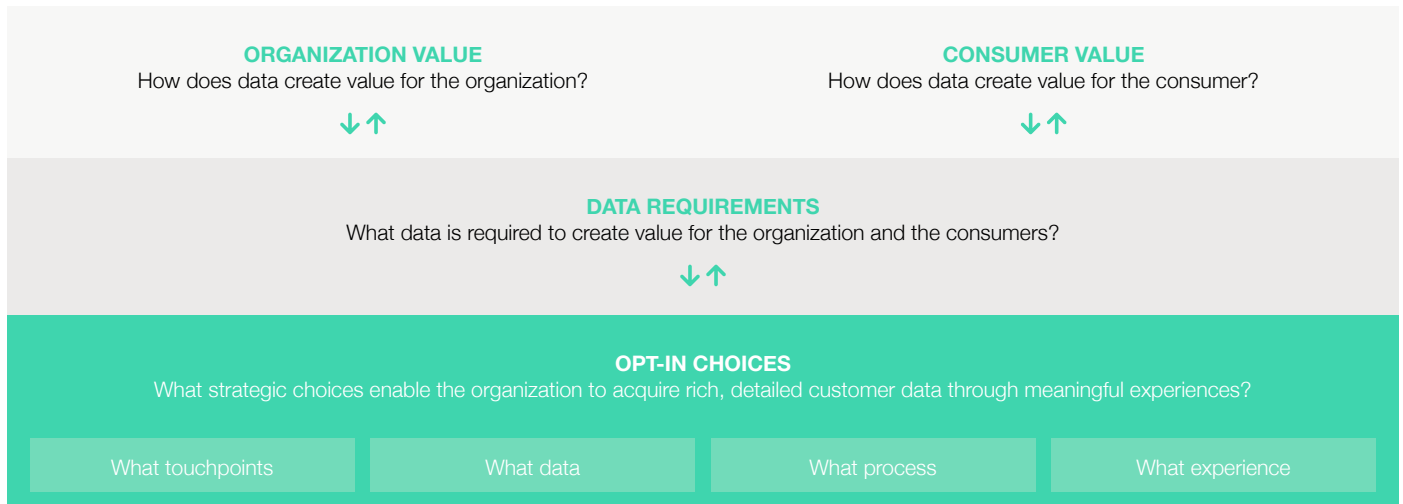
## SHIFT THREE

### 1. Create a data value exchange proposition

As consumer expectations of brands increase, being able to turn consumer data into relevant experiences is becoming a key basis for competition. “If you were to serve up relevant information to make a sale it would be creepy,” says Rob Odom, VP of Marketing and Brand Management at UCSF. “But when you use it to serve up a better experience, you’re providing real value to the patient.”

Healthcare organizations can benefit greatly from collecting patient data. It will not only allow them to better tailor experiences to consumers, it will also help them recognize behavioral or attitudinal patterns that may explain why some patients get sick and others don’t or why some adhere to their medications and others forget. To get the data necessary for this deep understanding, organizations should develop a consumer data value exchange (CDVE) proposition. In the simplest sense, Prophet’s CDVE lays out why an organization should invest in data collection and why a consumer would give permission to use their data. Organizations need to start by building a case for how the data creates value for the organization. This is critical because in most cases gathering data will require additional investments. Once the organization builds a case for how the data will be used, it will need to articulate a clear value proposition for why consumers should provide their data. Then the organization must define the data requirements and opt-in choices.

FIGURE 4  
CDVE INPUTS



#### Data for Good...

PatientsLikeMe is a network for patients living with chronic conditions to track and share their experiences and improve their outcomes. The company also works with major pharmaceutical companies, including Merck, AstraZeneca and others, to help them understand what it’s like to live with a disease and to bring the patient voice to their development and delivery processes. “On the most fundamental level, we help life science companies more fully understand patients’ life experiences, so they can develop products and services that better meet their real-world needs,” says Michael Evers, EVP Technology, Marketing, and Operations at PatientsLikeMe.

The idea of a CDVE is the foundation of PatientsLikeMe’s business model: Whatever data patients give to PatientsLikeMe will be used to improve the care of the next person by creating better treatments and programs.

## SHIFT THREE

### **2. Determine the mechanism for collecting data**

Once organizations create their data value proposition, they often need to create engaging ways to gather this data. There are several digital health companies that are helping organizations collect data in more engaging ways. Tonic Health is a cloud-based patient data collection platform among large enterprise health systems, payers and pharmaceutical companies. Instead of boring paper surveys served up in one defined time and place, Tonic allows healthcare organizations to collect the right information from the right patient on the right device in the right setting at the right time—and seamlessly combine it all on the backend to provide one unified view of the patient or patient population as well as super easy reporting. Tonic's fully customizable survey platform provides a Disney-like experience to all the key touchpoints along a patient's care journey, including patient intake & registration, patient payments, consent forms, health risk assessments & screeners, patient reported outcomes, patient satisfaction, advance care planning, and more. Tonic is like the EHR for the patient voice. This allows providers and payers to collect better, more comprehensive data on patients.

### **3. Incorporate the data collected into the experience**

Organizations still need to take the final step and use data to optimize the entire journey. While many organizations are striving toward enterprise-wide efforts to leverage data for personalizing care services and healthcare experiences, the organization that best exemplifies this effort is Geisinger Health System. Geisinger implemented a new IT system in 2015 that integrates big data into its existing analytics systems. The new system consolidates data from clinical departments, health and wellness apps and patient satisfaction surveys. "Looking at patients solely through the lens of an EHR yields an incomplete picture; patients visit clinics outside of the health system's reach, and in fact spend the vast majority of their time outside of healthcare systems altogether," writes the system's executives Alistair R. Erskine, MD Bipin Karunakaran, Jonathan R. Slotkin, MD, and David T. Feinberg, MD in a 2015 Harvard Business Review. "They leave digital breadcrumbs everywhere they interact, from the grocery store and its loyalty program, to the smartphone and its apps."

With patients' permission, Geisinger's system also collects data from smartphones, grocery reward cards and other health and wellness-related programs. The system can perform analytics on free-text imaging reports to identify patients with critically large abdominal aortic aneurysms who didn't have follow up appointments and to identify other at-risk patients. By integrating this data, the system can provide a more holistic view of the patient and flag potential health risks before they become emergencies. In 2016, Geisinger took their data collection to the next level, launching a new program that collects real-time patient data from the waiting room, before the physician even sees the patient. Patients with chronic conditions, such as heart disease, asthma and arthritis are handed a tablet in the waiting room to answer questions. The information automatically enters Geisinger's system before the appointment, and alerts any needed blood work or other tests.

While some progress has been made, healthcare organizations still have work to do in tailoring their products, services, and experiences to the needs and wants of consumers. However, if healthcare organizations can move away from looking at entire populations and move to groups of consumers by segmenting the population and eventually get to an individual view by investing in comprehensive data collection, they will be better able to deliver on experiences that lead to improved outcomes. Companies outside of healthcare do this very well. Amazon CEO Jeff Bezos speaks to his use of automated systems and algorithms that can detect snags in an individual's experience, such as poor movie streaming quality, and automatically issue a refund to consumers before they have a chance to complain. In healthcare, this could mean saving lives by using data and customized services to catch at-risk patients before they end up in the emergency room.



## SHIFT FOUR

# From Incremental Improvements to Pervasive Innovation

Instead of settling for small and time consuming improvements to already established systems and processes, organizations should reimagine innovation. They need to consistently adopt both an innovative and a minimally viable product mindset, using a portfolio of innovative approaches to spark change.

“You fight the hesitation by innovating in small ways and proving yourself. You fight it by proving a positive ROI and always bringing the customer voice to the table.”

MARGARET COUGHLIN, SENIOR VICE PRESIDENT, MOUNT SINAI HEALTH

## SHIFT FOUR

### Challenge

The healthcare industry continues to struggle with innovation because of its crippling aversion to risk, the difficulties of proving a return on investment for long-term projects, and a lack of structure for rewarding successful innovation. The challenge is particularly acute for pharmaceutical companies where innovation is approached with a clinical mindset and multiple rounds of testing and approvals are required before moving forward. This approach to innovation is understandable given healthcare organizations' legal, moral and ethical responsibilities to provide safe and effective care, but it is only necessary in situations that directly impact the health of patients. When it comes to commercial innovation, organizations have more liberty to test and learn without risking the safety of patients.

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### Solution

Healthcare organizations must foster a stronger culture of commercial innovation where an agile approach is embraced, employees are encouraged and rewarded for new ideas, and support is put in place to make these efforts come to life. By taking smart business risks, healthcare organizations can be bold without sacrificing the safety and efficacy measures that are imperative on the clinical side.

## Moving toward innovation: How to make the shift

Transforming a culture from risk averse to pervasively innovative can't—and shouldn't—happen too fast. Below are three effective ways healthcare organizations can add innovate without compromising caution:

1. Apply the Minimum Viable Product Approach
2. Create an Internal “Start-Up”
3. Look Outside for Innovation Inspiration

### 1. APPLY THE MINIMUM VIABLE PRODUCT APPROACH

Recognizing that commitment to a classic scientific approach stifles commercial innovation, organizations are making progress by borrowing techniques from the tech industry, such as adopting a minimum viable product (MVP) approach. MVP means rather than waiting until a product is perfect, an organization will release it as version 1.0 and then continue to make updates until the product is final.

#### How to apply the MVP Approach:

1. Identify where to start: prioritizing the areas with the greatest ROI
2. Determine the ideal end state
3. Determine what is most viable given the organization's resources and support and identify incremental steps for improvement
4. Scale across organization

#### Advocate's Same-Day Mammogram Experiment

Advocate Health used this approach to increase convenience and access. Advocate understood that overhauling its entire scheduling system would be a painful, and possibly unsuccessful, feat. So it started in just one area with a project called “Call Today, Be Seen Today,” which allowed same-day scheduling for mammograms. When the system experienced double-digit growth, it expanded the initiative to include same-day results as well. That success gave it the confidence to move forward with plans for similar offerings to all appointments. “We realized this consumerism goes far beyond an advertising campaign,” says Advocate's Chief Marketing & Digital Officer Kelly Jo Golson. “We needed operations to help us grow our efforts and serve our patients better.”

The MVP approach can be applied to business model innovation, too. As reimbursement models change and advancements in AI, data mining and technology occur, it will be important for organizations to continuously evaluate their business models and determine what is necessary to stay ahead of the competition. Niyum Gandhi at Mount Sinai Health System explains how the system is currently using the MVP approach to shift to a value-based care (VBC) model. Mount Sinai is currently piloting clinical programs on a small scale to test and learn rapidly, before expanding them throughout the system. This test-and-learn approach ensures it has the intersection of the best clinical, operating and business models correct before rolling out to its 50 primary-care practices.

## SHIFT FOUR

### 2. CREATE AN INTERNAL “START-UP”

Sometimes it's easier to create a culture of innovation when a group is not restricted by the rules, processes and complexities of a large organization. In these cases, organizations can create an internal “start-up” or incubation lab to fuel its innovation efforts.

#### **Boehringer Ingelheim's BI X**

Boehringer Ingelheim, a large German pharmaceutical company, has made concerted efforts to rev up its innovation. But like many pharma companies, it felt innovation withered under industry regulation and scrutiny. So it created a separate entity, a digital innovation lab it calls BI X, to drive innovation in a new and more agile environment. It operates like a start-up, working closely with all the business units in the company. BI X is an opportunity for collaboration between specialists in data science, software development and user experience design to work together.

### 3. LOOK OUTSIDE FOR INNOVATION INSPIRATION

Some organizations, aware of their inherent limitations, approach innovation through an “ecosystem of innovation.” This approach allows an organization to harness people with specific areas of expertise to innovate in ways they could not have on their own.

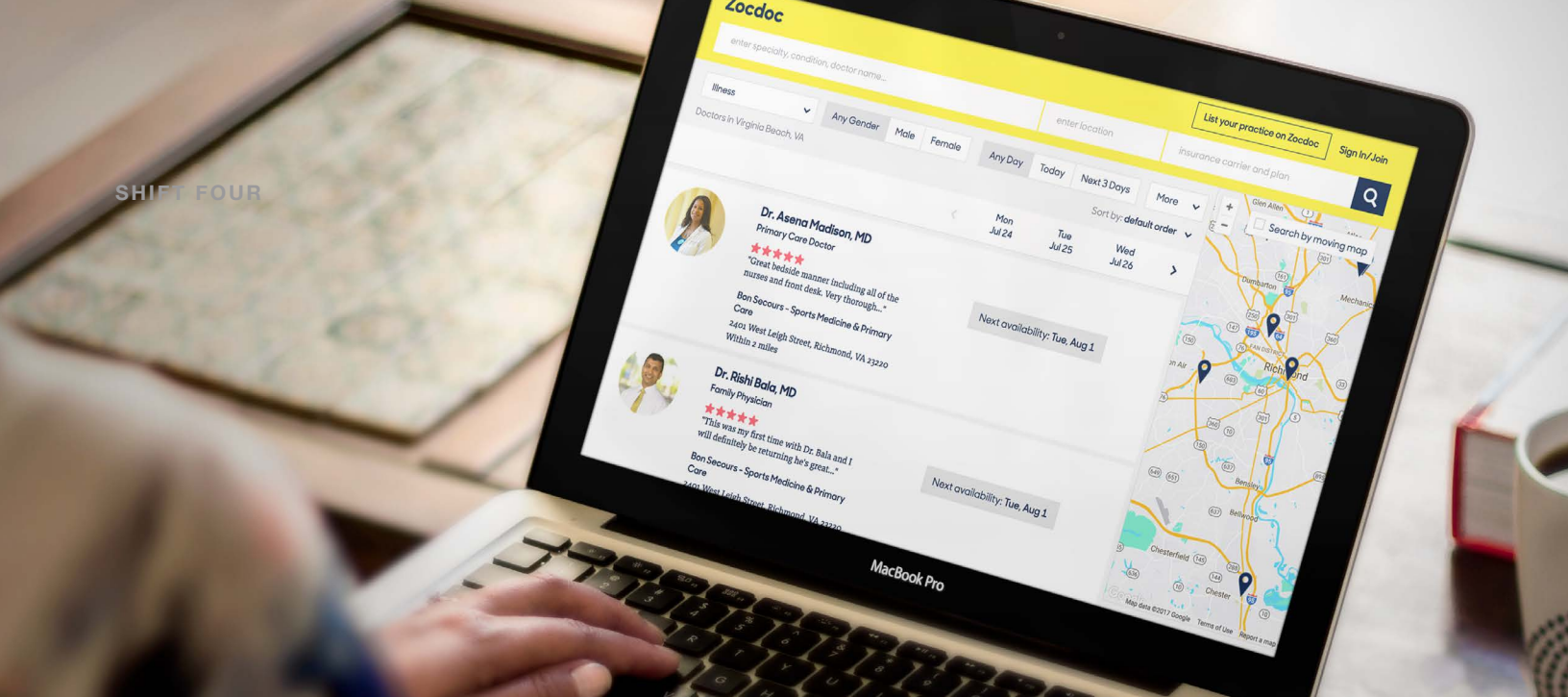
#### **Intermountain Healthcare's Telemedicine Breakthrough**

Intermountain Healthcare, a regional health system in the U.S., is well known for innovation. In 2016, it decided to move into telemedicine and partnered with AmericanWell to launch ConnectCare. Intermountain recognized its strengths were in providing quality care for patients, not in technology, so it used AmericanWell to provide the platform. ConnectCare now combines the strengths of both enterprises. “Technology enables the processes and strategies for consumerism, but it cannot be the only thing,” says Craig Kartchner, Intermountain's Senior Director of Marketing. “So with Connect Care, we must acknowledge that the platform has to be super easy to use at any time, on any device. But what matters just as much is the culture that surrounds that innovation.”

#### **Hikma's Investments in start-ups**

Hikma, a pharmaceutical company based in the United Kingdom, recognizes that the pharma industry doesn't typically foster an innovative culture. So it formed Hikma Ventures, the venture-capital arm of the company, to invest in healthcare start-ups that help it stay on top of industry trends and may even benefit the organization in the future. “We are seeding ideas that could grow into something very different from the businesses that we would normally get into,” says Susan Ringdal, Hikma's VP of Corporate Strategy and Investor Relations. “Some might be things we could benefit from over time, and may help us evolve into a totally different company.”

Hikma isn't the only organization that uses venture arms in this way. Blue Cross Blue Shield has BCBS Venture Partners and the University of Pittsburgh Medical College has UPMC Enterprises. Having a separate center for investing in innovation can remove some of the barriers that innovation faces when it sits within an organization, under a stereotypical organizational construct.



## Create patient centered experiences, not provider-centered experiences

Geisinger Health System partnered with ZocDoc, the online appointment scheduler, to launch real-time appointment scheduling. Through ZocDoc, patients can now schedule appointments online, any time of the day. Geisinger Health already had scheduling capabilities through its EHR system EPIC, but it realized ZocDoc had the ability to improve the experience. “We want to partner with companies like ZocDoc that focus on the consumer, not on the hospital system. It’s what helps us serve our patients better,” says Alistair Erskine, CIO.

Commercial innovation in healthcare is no easy task due to the mindset of patient safety that is embedded in organizations’ cultures. However, when organizations apply the MVP approach, operate like a start-up, or look beyond the four walls of their organization for inspiration they can produce products, services, and experiences that are more relevant to the consumer. Nimble technology companies are skilled at this. Take for example Airbnb. The company’s founders explored the concept of renting out one’s home as a bed and breakfast with their personal San Francisco apartment. They started out small to ensure that the demand was there and the offering was scalable. Today Airbnb has transformed the way people vacation. By pursuing innovation in the three ways above, healthcare organizations can transform the way patients receive care while still upholding the standards of care that keep patients safe and healthy.

# From Insights as a Function to a Culture of Consumer Obsession

Establishing insights as a function is critical to gathering intelligence on the consumer, but it's not enough. Healthcare organizations need to create a culture of consumer obsession, where everyone in the organization keeps the consumer front and center at all times. Organizations can build this by creating an Insights Operating System (IOS).

“We have to put ourselves in the shoes of patients and make sure that everything we are doing from drug development through market launch is with the patient front and center. From the differences between medical needs to the differences between how each patient receives information, this deep understanding is key.”

ANGELA HWANG, GLOBAL PRESIDENT INFLAMMATION AND IMMUNOLOGY, PFIZER

## Challenge

Because many healthcare organizations are in the early phases of being truly consumer-centric, they are often not set up for success. They usually lack the:

### Right people

Some healthcare organizations, particularly health systems, don't have a robust insights and analytics team with the right blend of researchers and data scientists.

### Right processes

Even if a team is in place, they sometimes do not have the repeatable processes that reveal how to use insights to drive business, identify and fill gaps, and integrate new information to enable better decision making.

### Right culture

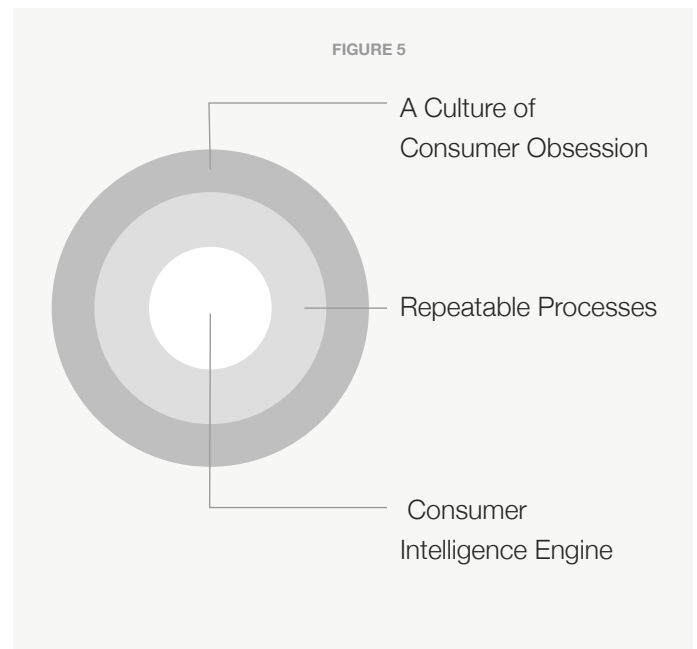
Some organizations still relegate understanding the consumer to the insights and marketing team. To be truly consumer-centric, understanding the consumer must be part of everyone's job and the voice of the consumer should be used to inform every business decision.

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## Solution

An insights operating system (IOS) helps organizations move from simply gathering data to infusing the right data, insights, and analytics into every decision. An IOS fuels an organization's ability to continuously update products, programs and experiences to satisfy changing expectations.

The "consumer intelligence engine" is the powerhouse of the IOS. It is what generates the right insights, data and analytics to fuel decision making. For organizations that do not have an insights function, the first step is to begin building one. Those that have one in place need to ensure that they have the right people in place to surface the insights required to drive the business. Account management and established processes ensure that the insights gathered will be used by the organization. Once everyone in the organization is operating toward the goal of making consumers' lives better, they can create products, services, and experiences that meet (and eventually exceed) consumers' expectations. This intense commitment to the consumer is required to create products and services that win.



# Creating an Insights Operating System

Building an Insights Operating System can be accomplished by:

1. Building a “consumer intelligence engine”
2. Establishing repeatable processes to gather and share across BUs and service lines
3. Building a culture of consumer obsession

## **1. BUILDING A “CONSUMER INTELLIGENCE ENGINE”**

The consumer intelligence engine needs to create a holistic picture of who the consumer is based on the breadth of data and information available to them. The team needs to be skilled in conducting in depth primary research with consumers. However, they also need to be able to harness the insights from transactional data (e.g., claims data) and behavioral data (e.g., wearable data, social listening) to create the complete picture of consumers. This means that the team should have a myriad of skills, balancing experts on human behavior and data junkies. The team should be able to listen carefully to what competitors are doing, both in and out of the category. They should be able to craft meaningful stories from disparate data and help the enterprise see the entire narrative arc of the customer experience.

The job of the consumer intelligence engine is to provide insight on “what we should be doing” and not “how we are doing”. In Prophet’s experience, when organizations start the move towards consumer-centricity, the first step is often building a way to measure important metrics. These teams often start off reporting on “how we are doing” by creating dashboards that display brand funnel metrics, website visits, campaign impressions, NPS, etc. The next step is to diagnose the why behind the numbers and identify what the organization should be doing to improve these metrics. The final step is often doing more custom research and analytics to complete the picture of “what we should be doing.”

## **2. ESTABLISHING REPEATABLE PROCESSES TO GATHER AND SHARE ACROSS BUSINESS UNITS AND SERVICE LINES**

All too often, research is conducted or data is gathered but never used, not because it wasn’t insightful, but because it didn’t provide the right intelligence. It is critical that a process is set up to ensure that the learning unearthed by the intelligence team can be used to inform key business decisions. Organizations that do this best have a partnership between insights and the business team, and have codified ways to routinely inventory data and insights, identify gaps, and build an intelligence brief. One way to accomplish this is to include “consumer insight” into every project charter.



## SHIFT FIVE

### 3. BUILDING A CULTURE OF CONSUMER OBSESSION

While organizations need to embed consumer insights into the organization, it is also important that they embed consumer insights into the culture of the organization. Consumer insights should become something that all employees intuitively call upon for decision making and consider in their day to day work. This consumer first mentality is something that is built overtime. Many organizations create formalized ways of building this. There are several different ways organizations have been able to accomplish this:

#### **Provide opportunities for the organization to learn firsthand about the consumer**

Some organizations invite patients in to speak about themselves and their conditions. Others allow employees to take paid time off to spend time with patients and learn about them as people. Pfizer allows employees to use the work day to conduct patient volunteer activities. This gives employees the ability to engage in understanding and supporting patients.

#### **Share insights throughout the organization**

Organizations share consumer insights in various ways. Some hold large meetings—such as town halls or meet the segment sessions. Others use environmental design to infuse consumer insights subtly throughout the organization, such as using patient quotes, pictures or statistics throughout the offices.

#### **Set expectation from leadership**

Leadership buy-in is critical to creating a culture of consumer obsession. When employees know their leaders are going to ask “What is the consumer saying about this?”, they are more likely to prioritize the consumer in their day to day activities.

Healthcare organizations have a huge opportunity to use insights to create better products, services, and experiences for consumers. By first building the consumer intelligence engine and then creating processes to share insights across the enterprise, healthcare organizations can begin to cultivate a consumer obsessed culture in which all employees keep the consumer top of mind. Netflix does this exceptionally well. In fact, in [Prophet's Brand Relevance Index™](#) Netflix ranked top among entertainment brands for its consumer obsession. Beyond using insights to display recommended shows on a user's homepage, Netflix also uses insights to produce content for hit series. Not only was its hit series *House of Cards* created from insights, but viewers even saw a different version of the trailer, depending on the genres and actors they watch most. If healthcare could use insights in this way, imagine the experiences that patients could have or the lives that could be improved by creating products, services, and experiences based on consumer insights.

## CONCLUSION

# No pain, no gain

Becoming truly consumer-centric in the healthcare industry is no easy feat. It requires hard work, and progress can often seem to be in the hands of unpredictable and ever-changing government policy. But the rewards of making these shifts are well worth the struggle, bettering the healthcare industry for patients, physicians, governments and other stakeholders.

If healthcare organizations consistently made CX a priority, consumers would...

- Enjoy experiences like those they have in other industries
- Be more loyal to healthcare brands
- Know organizations are listening, not preaching

If healthcare organizations worked to connect the healthcare industry, consumers would...

- Be able to schedule appointments when it was convenient for them
- Worry less about care logistics
- Miss fewer appointments and recover faster

If healthcare organizations focused on individuals instead of populations, consumers would ...

- Get personalized care that leads to greater health outcomes
- Have the support they need to more effectively manage their health conditions
- Be better understood by their physicians and insurers

If healthcare organizations focused on innovation, consumers would ....

- Have access to more relevant tools to manage their health
- Experience healthcare with as much satisfaction as they do other categories
- Anticipate healthcare experiences with delight, rather than dread

If healthcare organizations integrated insights into decision making, consumers would ...

- Know their specific needs were being met
- Have better relationships with healthcare brands
- Receive care on their own terms

In a world where healthcare organizations have made the five shifts, consumers would not only have a voice similar to what they have in other industries, but also the ability to manage their health in a way that keeps them well and out of the hospital. As healthcare continues to manage and respond to the pressures from consumers, employers, and governments making these five shifts will lead to outcomes that ultimately lead to lower costs and greater brand loyalty.

# Methodology

This report was developed based on in-depth interviews with over 50 executives. Our deepest gratitude to the following:

## PROVIDERS

Alistair Erskine, Chief Informatics Officer, Geisinger Health System  
Carl Armato, Chief Executive Officer, Novant Health  
Craig Kartchner, Senior Director of Marketing, Intermountain Healthcare  
David Duvall, SVP Chief Marketing and Communications Officer, Novant Health  
Eng Seng, Corporate Advisor, TE Healthcare  
George Sauter, Chief Strategy Officer, John Muir Health  
Jeff Staples, Chief Operating Officer, United Family Health  
Jill Chandor, Senior Administrator, Mayo Clinic  
John Noseworthy, M.D., President and Chief Executive Officer, Mayo Clinic  
Kelly Jo Golson, SVP Chief Marketing & Digital Officer, Advocate Health  
Margaret Coughlin, Senior Vice President, Mount Sinai Health System  
Mark Modesto, Chief Marketing Executive, Northwestern Medicine  
Matt Gove, Chief Consumer Officer, Piedmont Healthcare  
Mike Yost, VP Marketing Outreach and Experience, Indiana University Health  
Niyum Gandhi, EVP and Chief Population Health Officer, Mount Sinai Health System  
Reynick Martinez, Chief Marketing and Communications Officer, Presence Health  
Rob Odom, VP of Marketing and Brand Management, UCSF

## PAYERS

Chris Fanning, Chief Marketing Officer, Geisinger Health Plan  
Christian Wards, Director of Group Healthcare, AIA  
Dave Edelman, Chief Marketing Officer, Aetna  
Jeremy Young, Chief Marketing Officer, Sun Life Financial  
Lisa Bacus, Global Chief Marketing Officer, Cigna  
Natalie Schneider, VP of Customer Experience, Anthem  
Patrick Blair, Chief Marketing and Consumer Officer, Anthem  
Prakash Patel, M.D., COO, Guidewell & Florida Blue and President GuideWell Health  
Serge Raffard, Asia Head of Strategy, Product, Health, MetLife

## PHARMA

Angela Hwang, Global President Inflammation and Immunology, Pfizer  
Dave Marek, VP Marketing, Amgen  
Frank Cunningham, VP Managed Care, Eli Lilly and Company  
Jean-Michel Cosseray, VP Oncology North America, Eli Lilly and Company  
Jessica Nora, Executive Director Patient Engagement Strategy, Amgen  
John Haney, VP Healthcare Strategic Marketing, Johnson & Johnson  
Laura McKeaveney, Head of Patient Advocacy, Novartis  
Louis Zollo, Director of Global Portfolio Development, Teva Pharmaceuticals  
Paul Fonteyne, Chief Executive Officer USA, Boehringer Ingelheim  
Veronica Chase, VP Marketing, Eli Lilly and Company  
Susan Ringdal, VP Corporate Strategy and Investor Relations, Hikma  
Thane Wettig, VP Marketing, Eli Lilly and Company

## DIGITAL HEALTH AND HEALTHCARE IT

Sterling Lanier, Chief Executive Officer, Tonic Health  
Brad Gescheider, Senior Director Care solutions, PatientsLikeMe  
Dan Unger, SVP Product Development, Health Catalyst  
David Dennis, Senior Director Strategy and Business Development, Cardinal Health  
Jeff Dachis, Chief Executive Officer, One Drop  
Julia Morton, Sr. Director Customer success, Flatiron Health  
Kailas Nair, Vice President: Strategy and Partnerships, Vitality  
Keith Karem, Vice President of Global Marketing, Vitality  
Lee Shapiro, Managing Partner, 7Wire Ventures  
Michael Evers, EVP Technology, Marketing, and Operations, PatientsLikeMe  
Monique Levy, VP Customer Strategy, PatientsLikeMe  
Sean Burke, Chief Executive Officer Asia Pacific, GE HealthCare  
Stephanie Papes, Associate, Apple Tree Partners  
Tom Feitel, Global Head Enterprise Consumer Solutions, Medocity

## About the Authors



### **SCOTT DAVIS, CHIEF GROWTH OFFICER**

Scott has over 25 years of brand, marketing strategy, and new product development experience that he has brought to bear for many Prophet clients, including GE, Johnson & Johnson, Allstate, Hershey's, Microsoft, Boeing, Sara Lee, NBC Universal, the NBA, Blue Cross Blue Shield, Gulfstream, United Airlines, the City of Chicago and The Wrigley Company. He has also worked with some of the largest retailers in the U.S., including The Home Depot, Walgreen's/Boots, Best Buy and Target.



### **JEFF GOURDJI, PARTNER**

With 20 years of leading high-impact marketing & strategy projects, Jeff brings a breadth of experience that comes from working across many industries as marketing practitioner, management consultant and political strategist. Jeff has worked extensively in health care, including payer, pharmaceuticals and health care service provider organizations.



### **ED RHOADS, PARTNER**

Ed is a marketing strategy expert and has more than 20 years of experience leading brand growth and innovation, and improving customer and patient experience for Fortune 500 healthcare and consumer brands. Before joining Prophet, Ed was a managing partner and principal at The New England Consulting Group where he led the healthcare, innovation and collective intelligence practices.



### **PAUL SCHRIMPF, ASSOCIATE PARTNER**

Paul specializes in developing and implementing marketing, brand and customer experience strategies rooted in deep consumer insights and analytics. Paul is a leader of Prophet's healthcare practice, working across the provider, pharmaceutical, payer, and manufacturer sectors. He has worked with a wide array of healthcare clients, including Abbott, American Medical Association, Anthem, John Muir Health, Molina Healthcare, and UCSF Health.

## About Prophet

Prophet is a consultancy that helps clients find better ways to grow by focusing on three important areas: creating relevant brand and customer experiences, driving accelerated growth strategies and leveraging digital as a transformative force in their business. We operate differently than other consultancies, blending insight, strategy and creativity with an optimistic yet pragmatic approach. We have partnered with some of the world's most successful companies, including Electrolux, T-Mobile, UBS, Gatorade and GE. With nine global offices and more than 350 experts in marketing, innovation, digital and design, we are able to bring together the right people with the right experience to solve our clients' business challenges.

[Prophet.com](http://Prophet.com)

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