Failing to prepare for a consumer-driven market is a risky strategy in any market. High-deductible health plans (HDHPs) continue to proliferate across the country. More recently, the improvement of price transparency tools, the emergence of meaningful alternatives to traditional care sites, and the weakening of the traditional patient-physician relationship have accelerated the growth of a consumer market. Health systems that do not build real consumer loyalty are in danger of losing substantial share to new competitors. Hospitals and health systems that hope to grow must build long-term durable relationships with their customers.

### Key Features

#### Frictionless Transactions
- Those organizations that make the transactional elements of care as painless as possible stand to attract new consumers and drive repeat business.
- **KEY FEATURES**
  - Automated price estimation platform
  - Digital transaction system
  - Transparency Impacts Choice
  - 84% of consumers say that price estimates have an impact on choosing a provider

#### Multimodal Access Network
- Convenience is a top driver of preference across the board—for both primary and specialty care. As same-day access for primary care becomes baseline, systems must ensure they meet that bar and look for opportunities to differentiate on access to specialty services.
- **KEY FEATURES**
  - Integrated urgent care network
  - Fully controlled retail assets
  - Same-day consults for high-worry conditions
  - Diversified primary care network
  - Access a Major Decision Factor
  - 6 of the top 10 decision drivers are related to access and convenience, when choosing a primary care physician
  - 42% of consumers report “short travel distance” as a top-three driver when choosing a specialty care provider

#### High-Reliability Production Model
- Ensuring a high-quality experience is key to ensuring repeat business. Consistently delivering high-quality clinical care will become a crucial piece of securing up-front business as well.
- **KEY FEATURES**
  - Consistent service standards
  - Customer-driven quality dashboard
  - Enterprise platform for care standardization
  - Service and Clinical Quality Increasingly Important
  - 60% of the top five loyalty drivers for specialists are related to service or clinical quality
  - 80% of patients say a doctor’s experience with high-reliability providers makes the difference when choosing specialty care

#### Competitive Price Point
- Although price sensitivity is strongest in areas like imaging today, consumers are beginning to show signs of sensitivity for services like surgery as well. As consumers become savvier about the relationship between cost and quality (or lack thereof), systems must be prepared to offer lower-cost alternatives.
- **KEY FEATURES**
  - Low-cost alternatives to high-cost services
  - Rightsized fixed-cost structure
  - Patients Will Go to Great Lengths for Lowest Price
  - 73% of consumers believe that a three-hour flight or a four-hour drive is worth $4,000 in savings
  - 6x more imaging respondents say low out-of-pocket cost is more important for choosing site of care than physician recommendation

#### Loyalty Reward Platform
- From the moment they first contact the system, patients should experience the customization and personalization possible in an integrated system.
- **KEY FEATURES**
  - New-member onboarding process
  - System-wide coordination platform
  - Technology-enabled personalization
  - Formal membership program
  - Most Patients Aren’t Loyal
  - 47% of consumers are not “highly loyal” to their current PCP and may switch providers in the next 12 months

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**User-Unfriendly**
- Patients experience too much difficulty finding a doctor and transferring records, let alone getting a timely appointment. The frustration level is unsustainable among patients with choice.

**One-Size-Fits-All**
- Need an appointment or referral? Be ready to wait. Feeling sick, but not finding any choices? The ED is your only option. For primary care, chronic conditions and or even just a basic medical need, access to care is too often subpar.

**Lack of Attention to Service Quality**
- Many health systems focus on quality scores that, while meaningful, minimize the implications of service breakdowns. Today’s social media and online ratings expand the reach of negative reviews.

**Premium Pricing Across the Board**
- Lack of price transparency and sensitivity mean most systems have not needed to compete on price. Consumers wanting to visit a health system-affiliated site will pay a premium, even for basic services like imaging.

**Relationships Purely Transactional**
- Today’s health care consumers demonstrate relatively low levels of loyalty compared to other industries. In general, consumers do not perceive any added value in their relationships with these systems.

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**Status Quo**

**Must-Have Upgrades**

**Health System**

**Consumer-Focused**

**Health Care Advisory Board**

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