

HOW HEALTHCARE LEADERS BUDGETED MARKETING DOLLARS

2021 BTN: MARCOM BENCHMARKING

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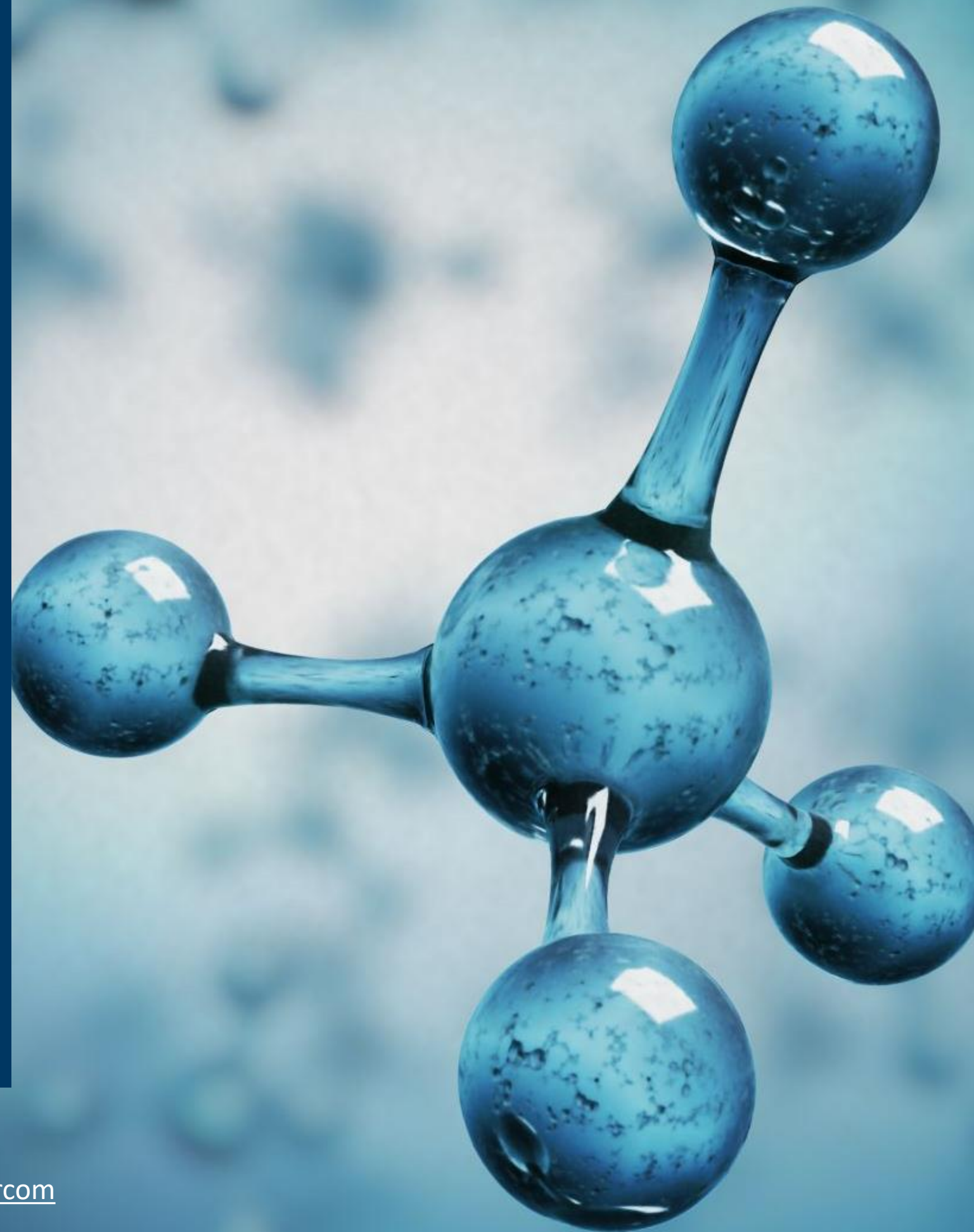
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LEARNING OBJECTIVES

Understand the By the Numbers: MarCom Benchmarking Program and The New Cancer Supplement

See How Others Are Allocating Marketing and Communications Resources

How You Can Make the Case to Protect or Add Resources

AGENDA



BY THE NUMBERS: MARCOM
BENCHMARKING PROGRAM

01

KEY INSIGHTS

02

APPLICATION

03

BY THE NUMBERS...

04

BUILD BETTER BENCHMARKS

THINK BIGGER THAN A "SURVEY"

- Completed benchmarking for 2017 - 2021 budget years

- Engaged a steering committee for guidance

- Utilized a dashboard for blinded-data distribution

- Partnered with SHSMD in 2021 to produce more comprehensive benchmarking



SEED IDEA

Create a datastore of how marketing and communications resources are allocated to justify budgets.



COMPARABLE

Ensure that the benchmarks are true peers on a variety of dimensions.



MEANINGFUL

Asking the right questions of the right people. Tested with steering committee.



ACCESSIBLE

Make data viewable, downloadable, and presentable for many internal audiences.



WHAT'S COVERED IN THE **PROGRAM**

Detailed breakdown of the level of resources (budget and headcount) dedicated to marketing and communication function

Centralized vs. de-centralized resource distribution/management

Level of investment on social media tools, reputation management, and advertising.

NEW - Hot topics - Spend on diversity, equity and inclusion (DEI) communications and initiatives.





2022 CANCER SUPPLEMENT

Resource Allocations for Cancer Programs

Benchmarking Information For Marketing
Resource Allocations, Market Strategies, and
FTEs

Detailed Comparisons (Compare by Size,
Audience, Region, NPR, etc.)

Multi-year Trends in Marketing Budgeting,
Strategy and Branding Across Benchmarked
Peers





WHAT ARE THE BENCHMARKS?

INCLUDED IN THESE DATA

- 01** Overall Marketing & Communications Budgets
- 02** How Funds Are Spent Across the Marketing Mix
- 03** Areas that Marketing Function Supports
- 04** Staffing Levels
- 05** Hospital Profiles – Size, Total Employees, Revenue*
- 06** Competitive Intensity and Share of Voice

External sources were used to gather much of the organization data – a change from previous studies.

In addition to rankings data from USN&WR, we incorporated AHA data for hospital profiles and filters.

Using AHA provides consistent metrics for benchmarking and eases the requirements for data entry from individual survey respondents.

AND FILTERED BY:



Organization Type (Academic, IDS) and # Hospitals Owned



Budget Levels / Revenue Numbers



Institution Size (Beds, Adjusted Discharges, NPR)*



Marketing Organization Size, Share of Voice



Areas Supported by Marketing



Geographic Reach / Location



Rankings*

Note: We updated the questionnaire in 2020 to focus on COVID impact



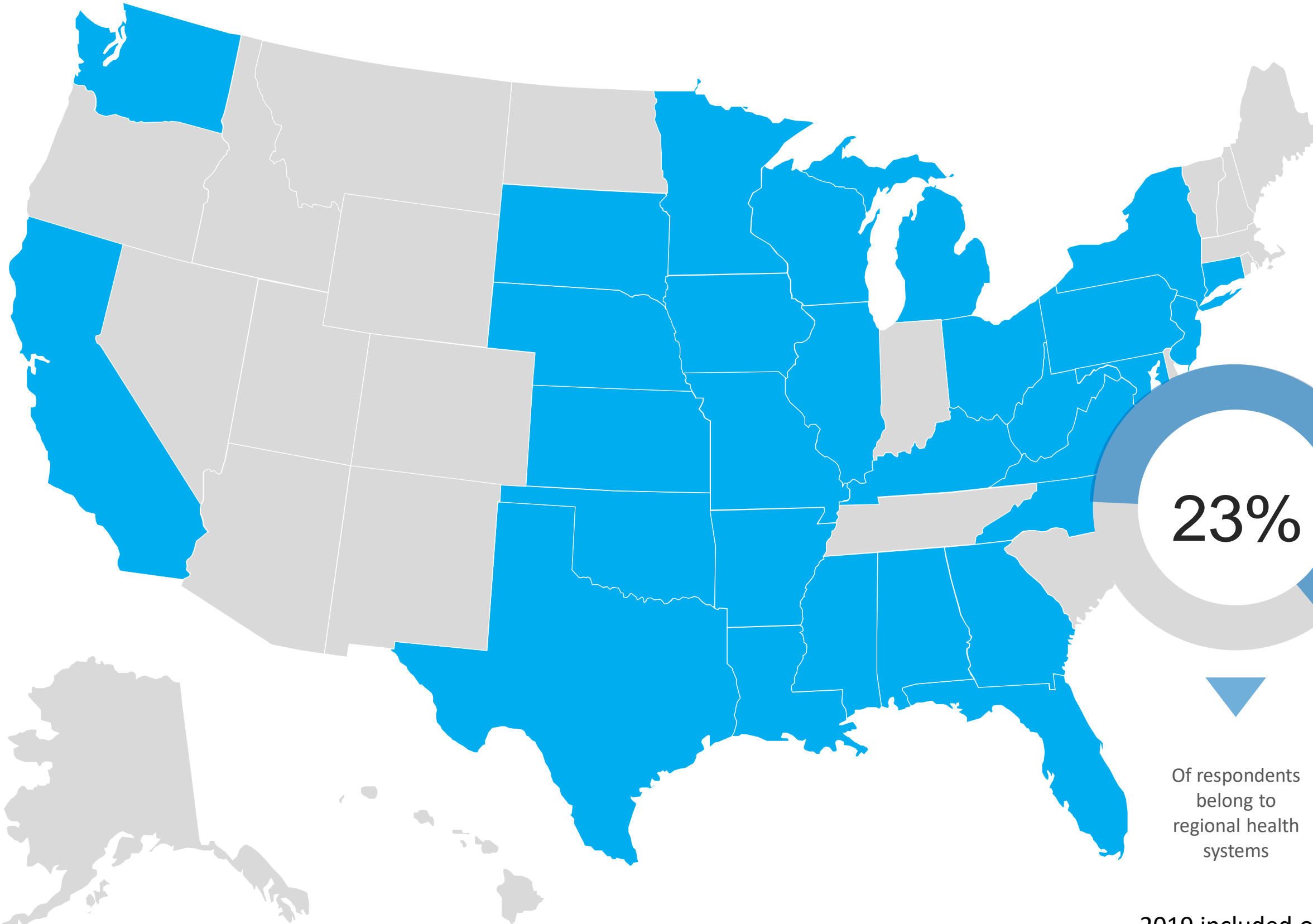
WHO PARTICIPATED?



★ Steering Committee

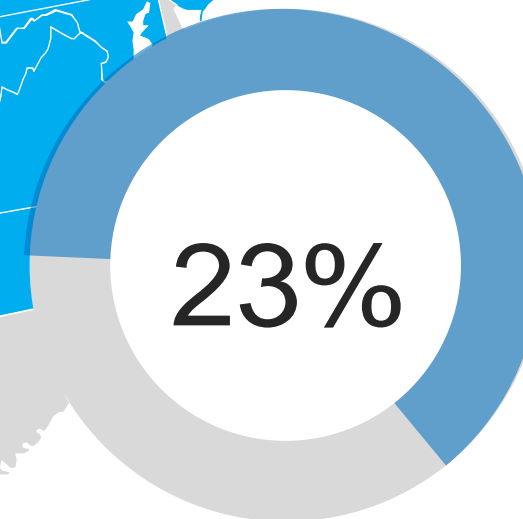


HOW MANY?

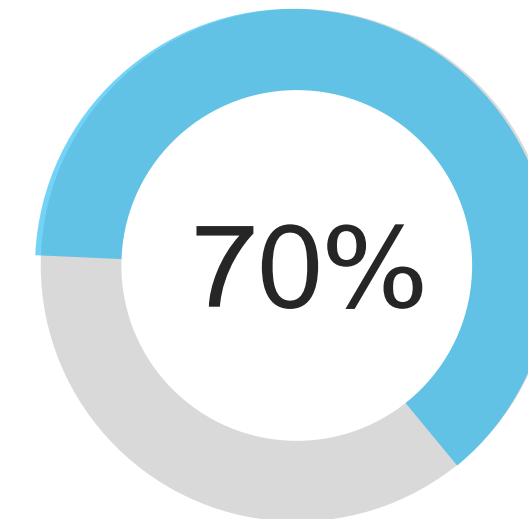


ABOUT THE SAMPLE

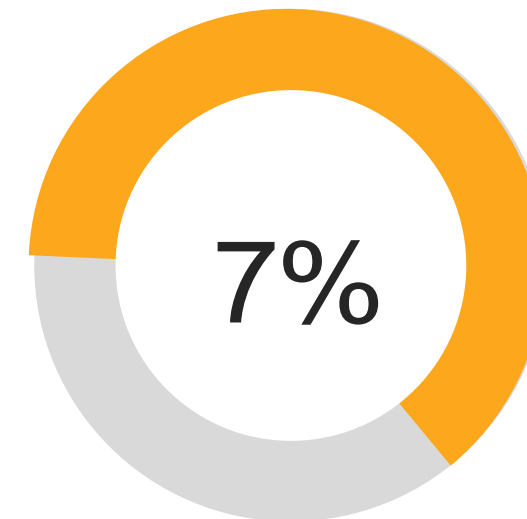
The 2021 sample consists of over 39 respondents to date with hospitals in over 24 different states.



Of respondents belong to regional health systems



Of respondents belong to geographically narrow health systems



Of respondents belong to national health systems

2019 included over 30 participants
2020 included 26 respondents



WHAT'S CHANGED?

2020 AVERAGES FOR ADVERTISING MEDIA:

Percentage: 29.2%

Total Spend: **\$6.1M**

2021 AVERAGES FOR ADVERTISING MEDIA:

Percentage: 28.3%

Total Spend: **\$4.9M**

AMONG THOSE WITH TWO YEARS' DATA:

2021

Percentage: 27.4%

Total Spend: \$8.4M

2020

Percentage: 27.1%

Total Spend: \$6.1M



WHERE IS THE CANCER MONEY BUDGETED?

Systems with cancer programs prioritize digital media, service line & program development, and sports sponsorships



ADVERTISING MEDIA

Across all Health Care Systems, advertising media was the most highly invested.



DIGITAL EXPERIENCE

Academic Health Care Systems prioritize digital experience development with higher budgeting for marketing, writing and designers, and PR.



OUTREACH

Non-Academic Health care Systems prioritized account services, web site development, and regional marketing resources.

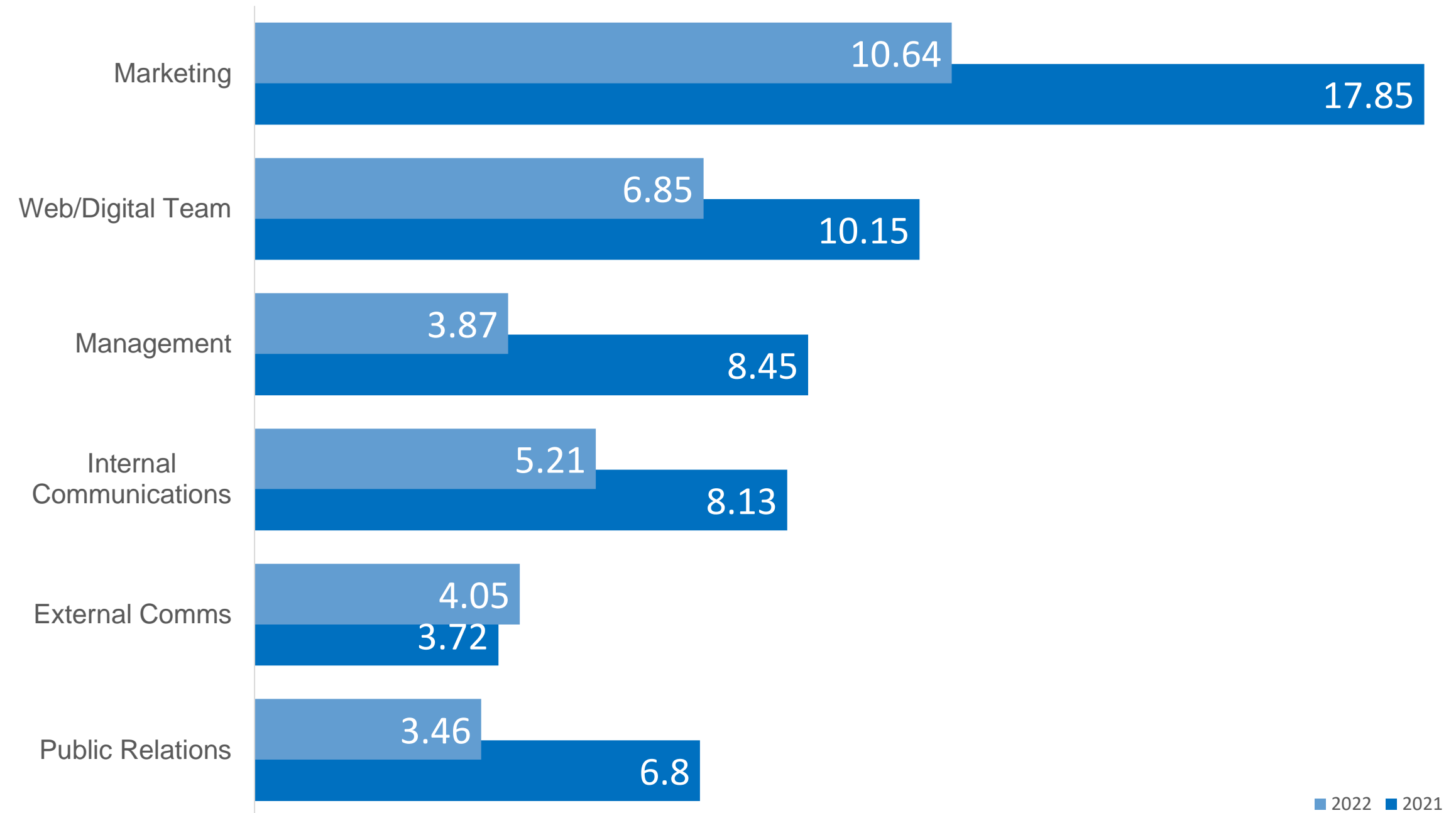


COMMUNICATIONS

Across all Health Care Systems, the least invested in areas included: social media marketing, internal support and related resources.

WHO'S BEING HIRED?

ROLES





HOW WE'VE USED IT

- 01 Get the budget you need
- 02 Grow with your organization
- 03 Optimize your media mix
- 04 Build stronger, more efficient, high performing teams





BY THE NUMBERS...

OVERALL BUDGETS

AVERAGE MARCOM BUDGET 2021: \$17.3M



\$18.5M



\$20M



\$21M



\$21M





BY THE NUMBERS... CANCER BUDGETS

OVERALL AVERAGE PROPORTION OF BUDGET ALLOCATED
TO A CANCER PROGRAM:

15.36%

\$3.8M

(INCLUDES ONLY ORGANIZATIONS WITH CANCER PROGRAMS)



BY THE NUMBERS PEOPLE COUNT



	2021	2020
AVERAGE NUMBER OF FTE'S:	49	73
AMCS:	63	74
IDS:	46	73
STAND ALONE:	11	45

BY THE NUMBERS PEOPLE BUDGET

	2021	2020
AVERAGE PERCENTAGE OF BUDGET ON SALARIES/BENEFITS:	20-29%	~30%
AMC:	~30%	20-29%
IDS:	20-29%	30-39%
STAND ALONE:	20-29%	20-29%



BY THE NUMBERS...

MARCOM BUDGET AS A PERCENT OF REVENUE

2021 Average

.7%

Broad Industry Average:

8.04%



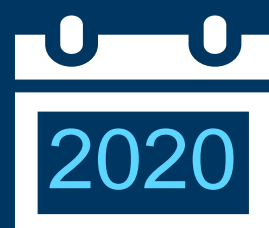
0.8%



0.6%



0.9%



0.7%



10.22%



9.02%



10.03%



6.09%



WHAT'S THIS DASHBOARD?

DEMO

BY THE NUMBERS
MARCOM
POWERED BY ENDEAVOR ANALYTICS

Surveys

Profile



ADVERTISING EXPENSES BY GEOGRAPHY

Of the 2019 advertising expense identified, how much is for national advertising versus regional/local advertising?

\$984.0k

Average - National

\$1.9M

Average - Regional

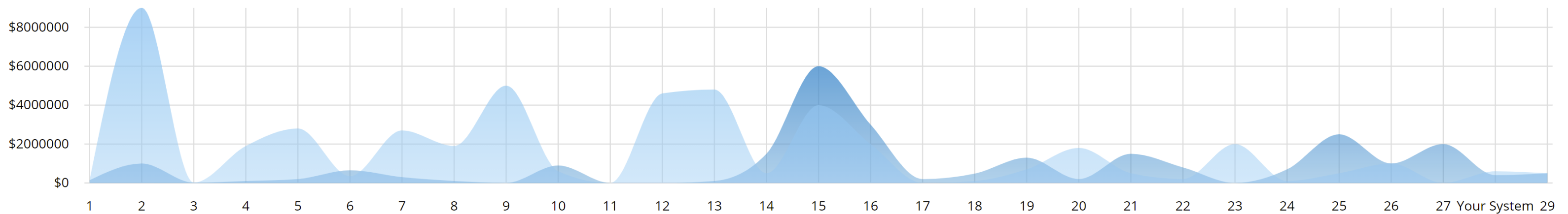
\$575.0k

Median - National

\$850.0k

Median - Regional

● National ● Regional



ADVERTISING BRAND ONLY

24.0%
Your system

DIGITAL MEDIA TOTAL EXPENDITURE

42.0%
Your system



WHAT CAN WE LEARN FROM GAMING?

COMMUNITY IS KEY

LOOK FOR EARLY SIGNS OF NEW TRENDS

DEVELOP A CONVERSATION-INFLUENCE MODEL

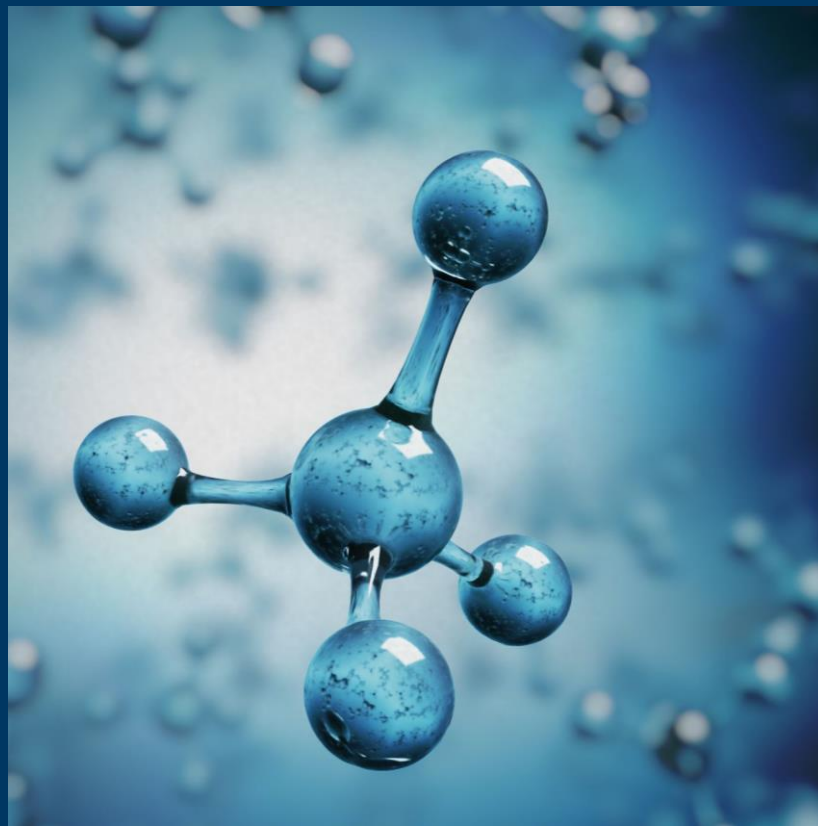
WHAT CAN WE LEARN FROM GAMING?

THE CUSTOMER ISN'T
ALWAYS RIGHT

BE AGILE AND QUICK TO
MARKET

GAMIFICATION





OUR EXPERIENCE THOUGHT STARTERS

MEET CONSUMERS WHERE
THEY'RE MOVING

MAKE DIGITAL MORE THAN JUST
MARKETING

ANTICIPATE TOMORROW'S HOT-
TOPICS

BENCHMARK
YOUR ORGANIZATION
TODAY

**SIGN UP AT THE CONFERENCE FOR
A CHANCE TO WIN ONE OF FIVE
\$100 VISA GIFT CARDS**



SCAN ME

Endeavor



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