

# How the Nation's Most Recognized Systems Spend Their Marketing Dollars... and Why It Matters to You

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# AGENDA



1. About the Benchmarking Program
2. Key Insights
3. By the Numbers...

# LEARNING OBJECTIVES



● How Healthcare Systems are Allocating Marketing and Communications Resources

● Discover New Ways to Support Your Resource Allocation

● Identify Missed Opportunities for Healthcare Systems in the Era of Consumerism

# BUILD BETTER BENCHMARKS

We recognized the need to think bigger than a “survey,” so we:

- Completed benchmarking for 2017 - 2020 budget years
- Engaged a steering committee for guidance
- Utilized a dashboard for blinded-data distribution
- Partnered with SHSMD in 2021 to produce the most 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?



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

Centralized vs. de-centralized resource distribution/management

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

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

# WHAT CAN YOU BENCHMARK?

## Gathered This Data

- 1. Overall Marketing & Communications Budgets
- 2. How Funds Are Spent Across the Marketing Mix
- 3. Areas that Marketing Function Supports
- 4. Staffing Levels
- 5. Hospital Profiles – Size, Total Employees, Revenue\*
- 6. Competitive Intensity and Share of Voice
- 7. Impact of COVID-19 pandemic

## And Filtered By:



Organization Type



Budget levels



Institution Size\*



Marketing Organization Size



Areas Supported by Marketing



Geographic Reach



Rankings\*

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.

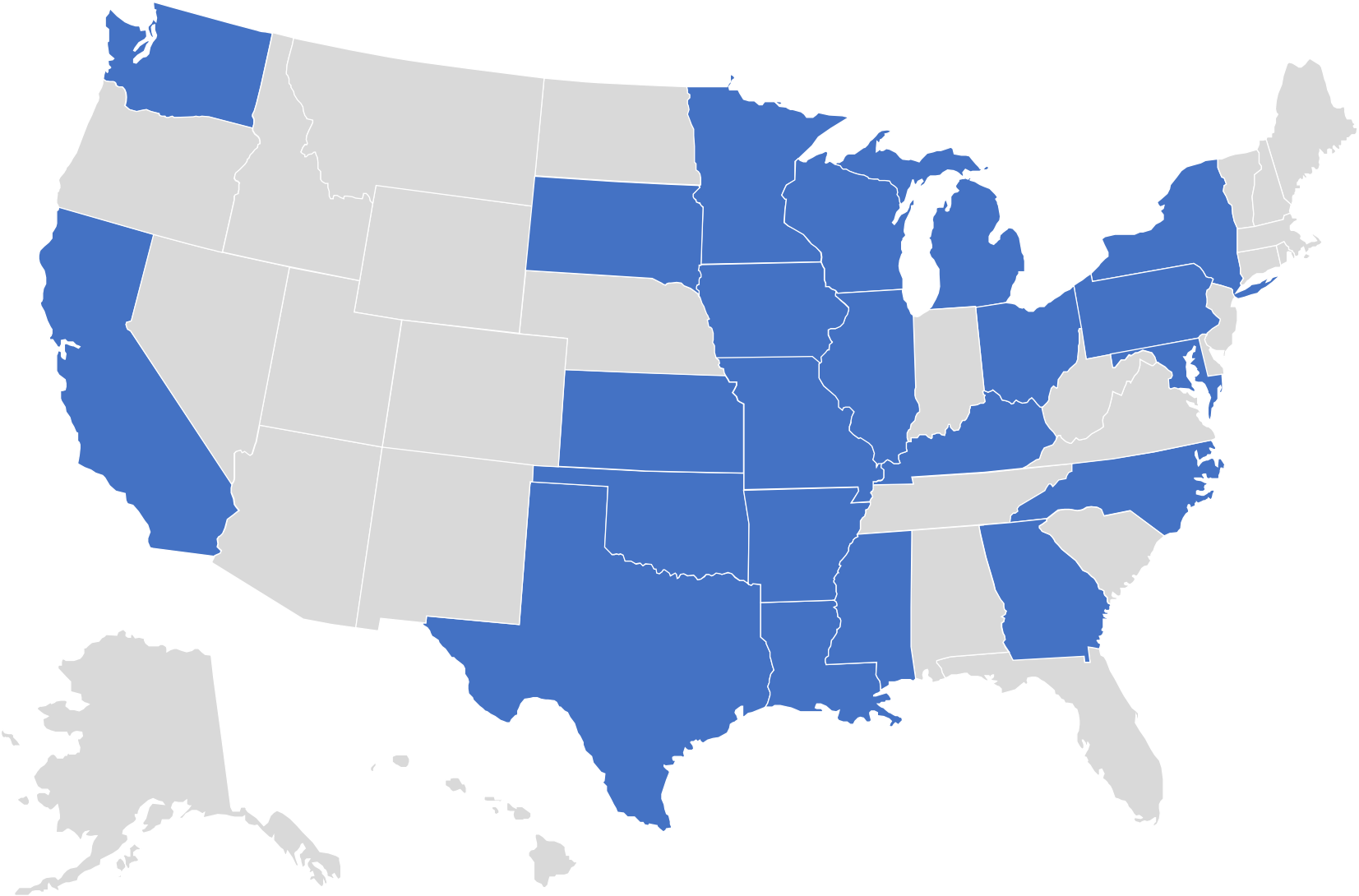
Using AHA provides consistent metrics for benchmarking, and eases the requirements for data entry from individual survey respondents.

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

# WHO PARTICIPATED?

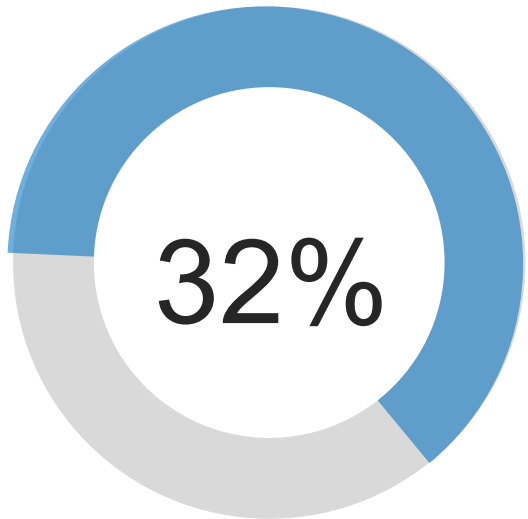


# HOW BIG?

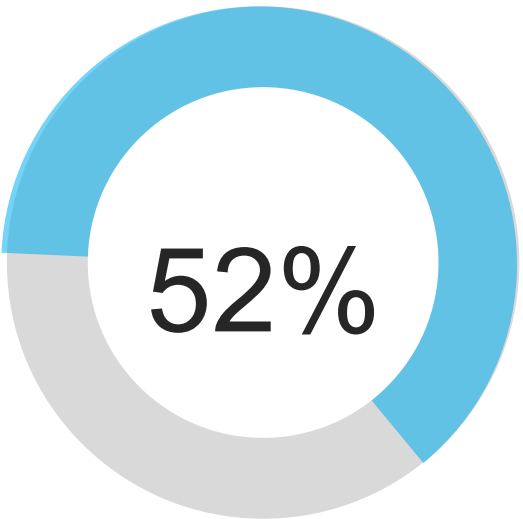


## About the Sample

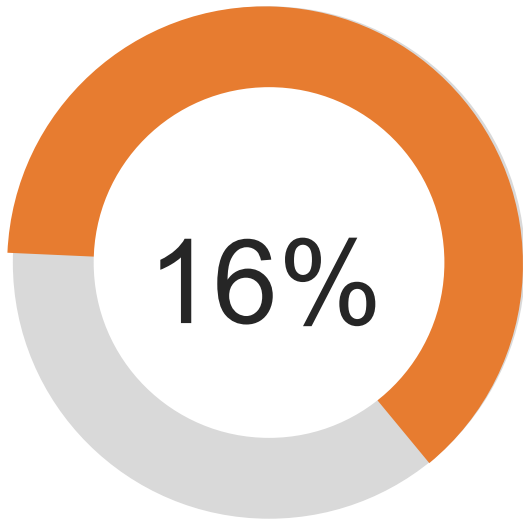
The 2020 sample consists of 26 respondents and represents a total of 22 different states.



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.





# WHERE IS THE MONEY BUDGETED?

## Overall Investment Findings



### 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

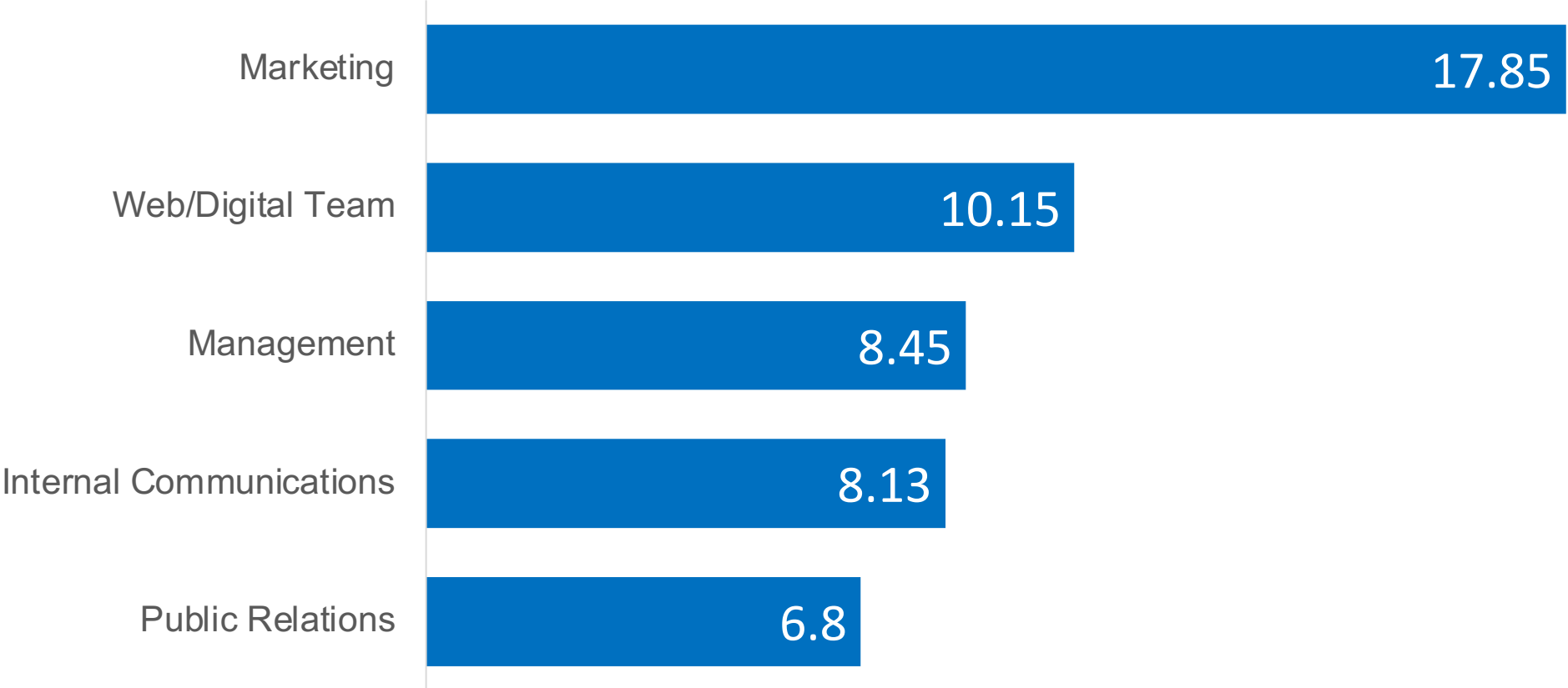
Across all Health Care Systems, the least invested in areas included: social media marketing, internal support and related resources.

# WHO'S BEING HIRED?

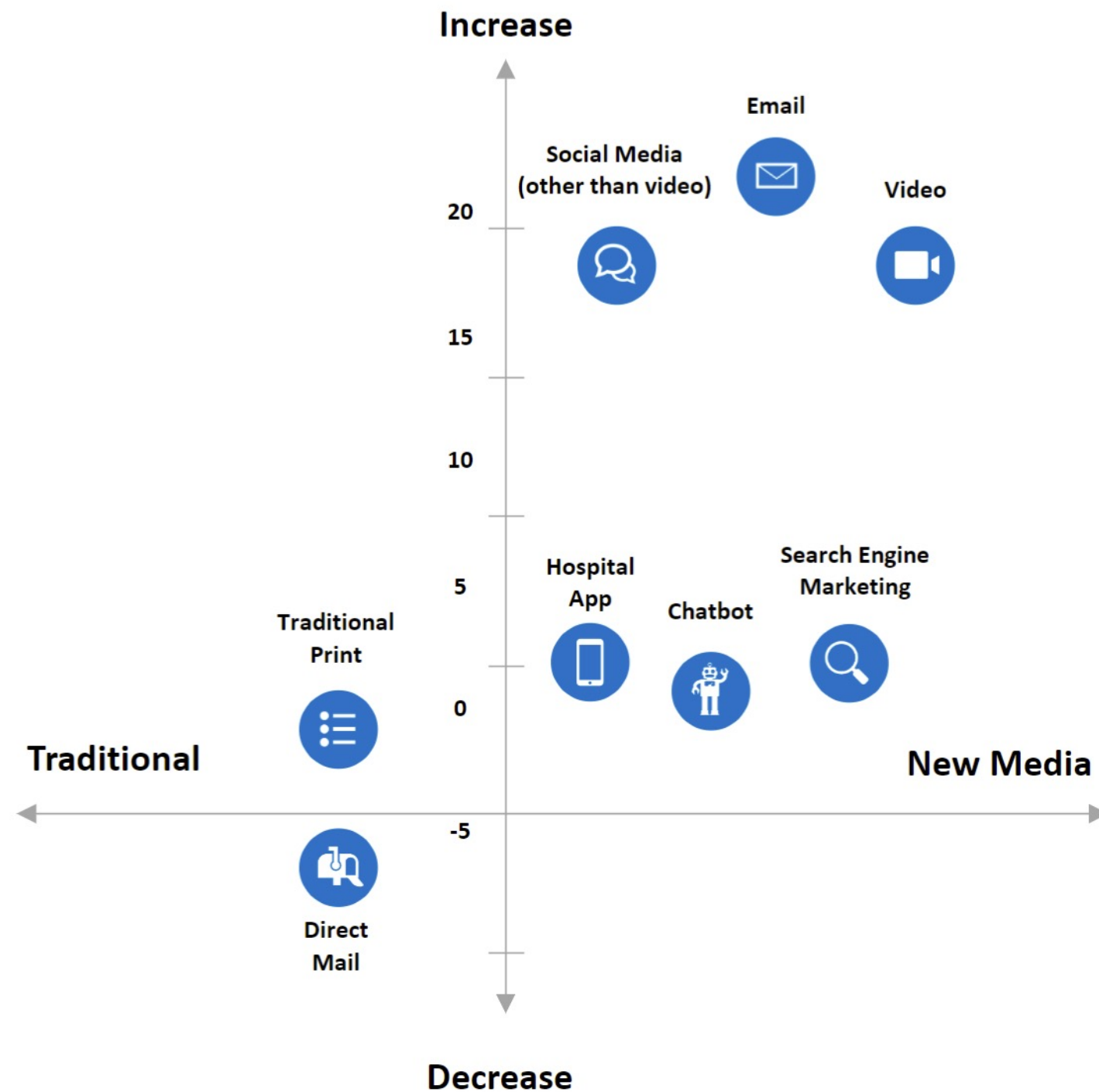


## Roles & Consulting

The top 5 marketing positions allocated in the Health Care Systems space included:  
(ranked by average total positions available)



# WHAT TACTICS ARE UP AND DOWN?



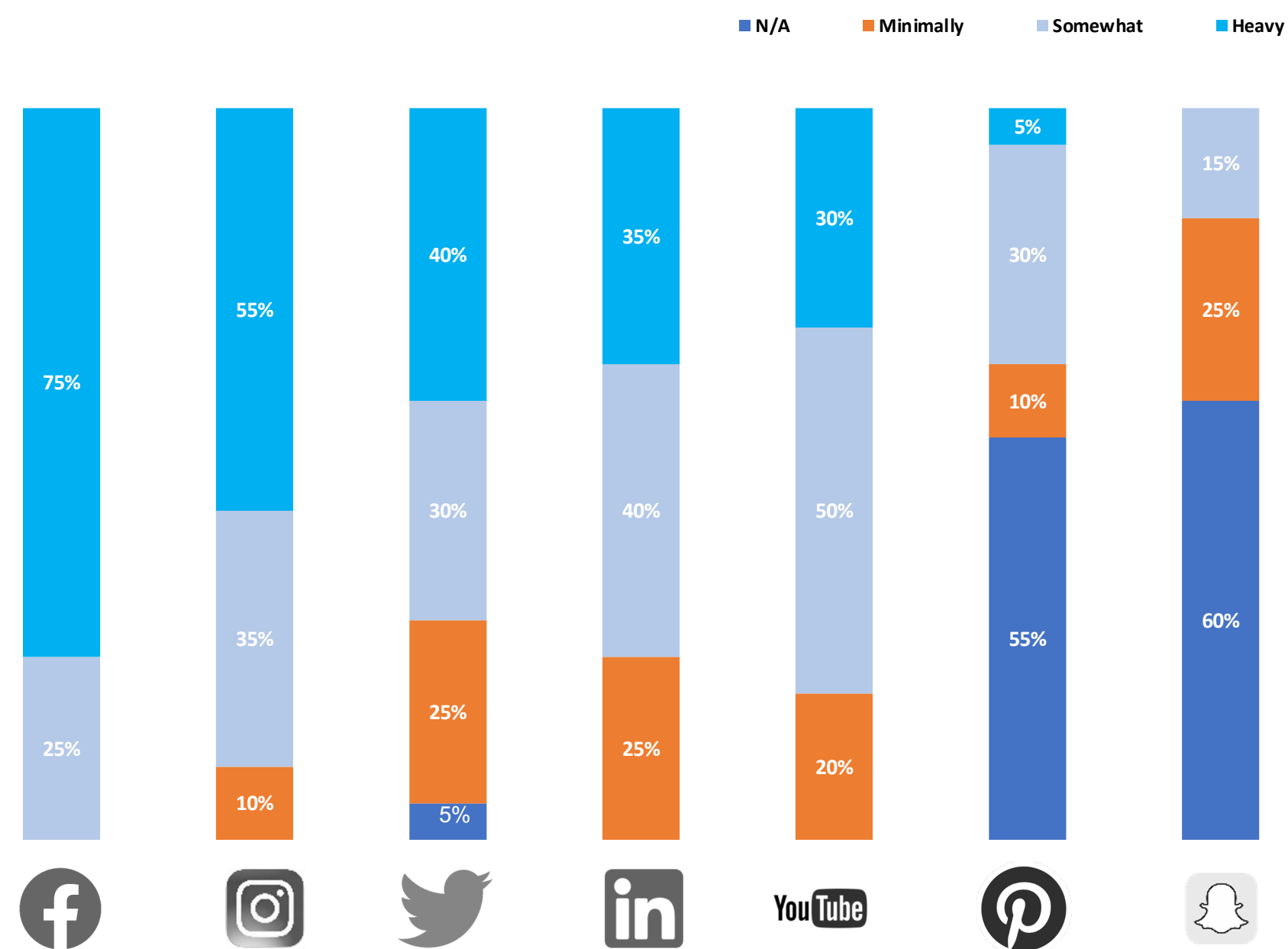
Decrease in Print Media  
Across all Health Care Systems, Traditional print was a lower priority.

Not-for-Profit Health Care Systems allocated the least budget to traditional media.



Optimization Opportunity  
Optimization of search and internal tools contain the most uncertainty of usage and could provide the biggest opportunity space to build on new media engagement

# WHAT SOCIAL PLATFORMS ARE USED?



## Social Networking

Across all Health Care Systems, the heaviest social media platform usage was led by Facebook, followed by Instagram and Twitter.

Academic Health Care Systems invested the most heavily in Facebook and Instagram.



## Testing Other Platforms

Non-Academic Health care systems were more open to trying other platforms such as Pinterest and Snapchat. However, the budget towards these platforms was minimal



# BY THE NUMBERS... OVERALL BUDGETS



Average MarCom Budget: **\$21M**



**\$18.5M**



**\$20M**

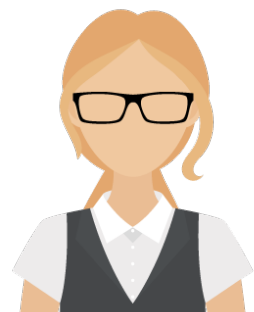


**\$21M**

Change from 2019: No average change

Impact of COVID on Budget (reported): -4.4% Average impact

# BY THE NUMBERS... PEOPLE



Average Number of FTEs: ..... 63

AMCs: ..... 51



Non-AMCs: ..... 71

Average Percentage of Budget on Salaries/Benefits: ..... 30%



AMCs: ..... 20-29%

Non-AMCs: ..... 30-39%

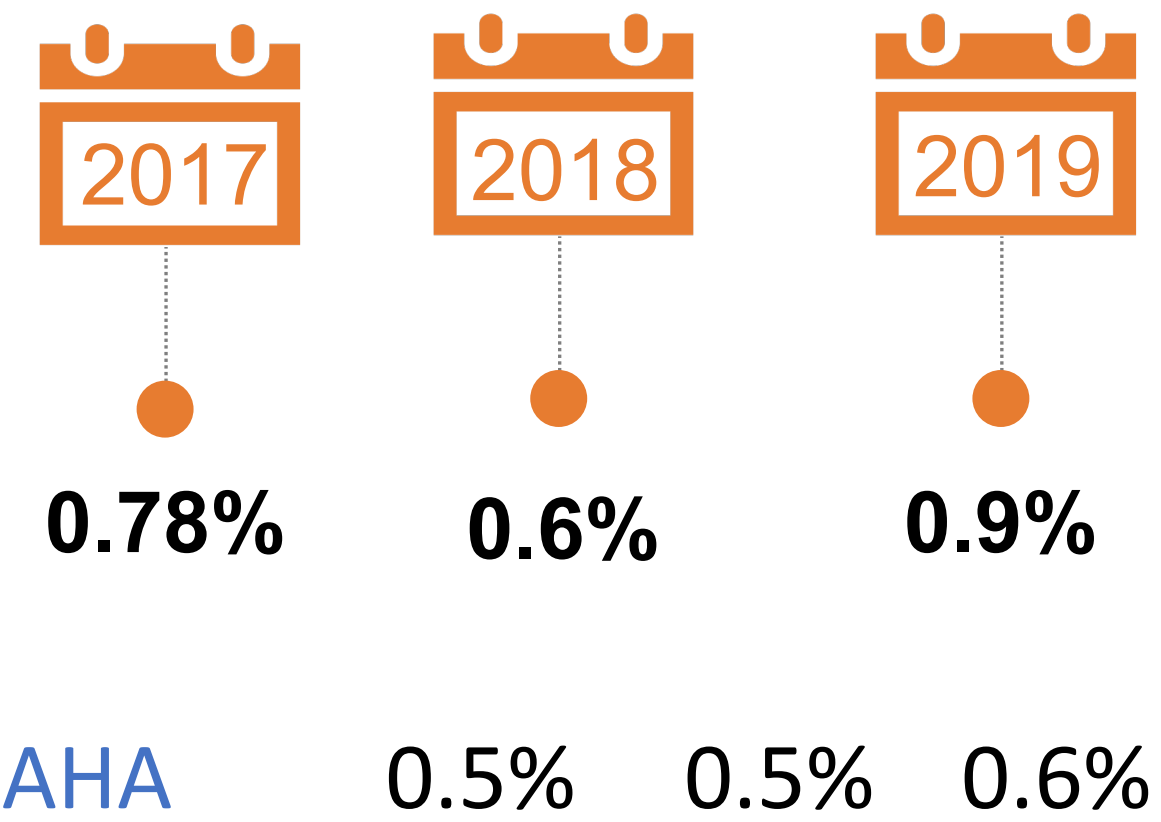


COVID Impact: ..... No change<sup>Majority</sup>

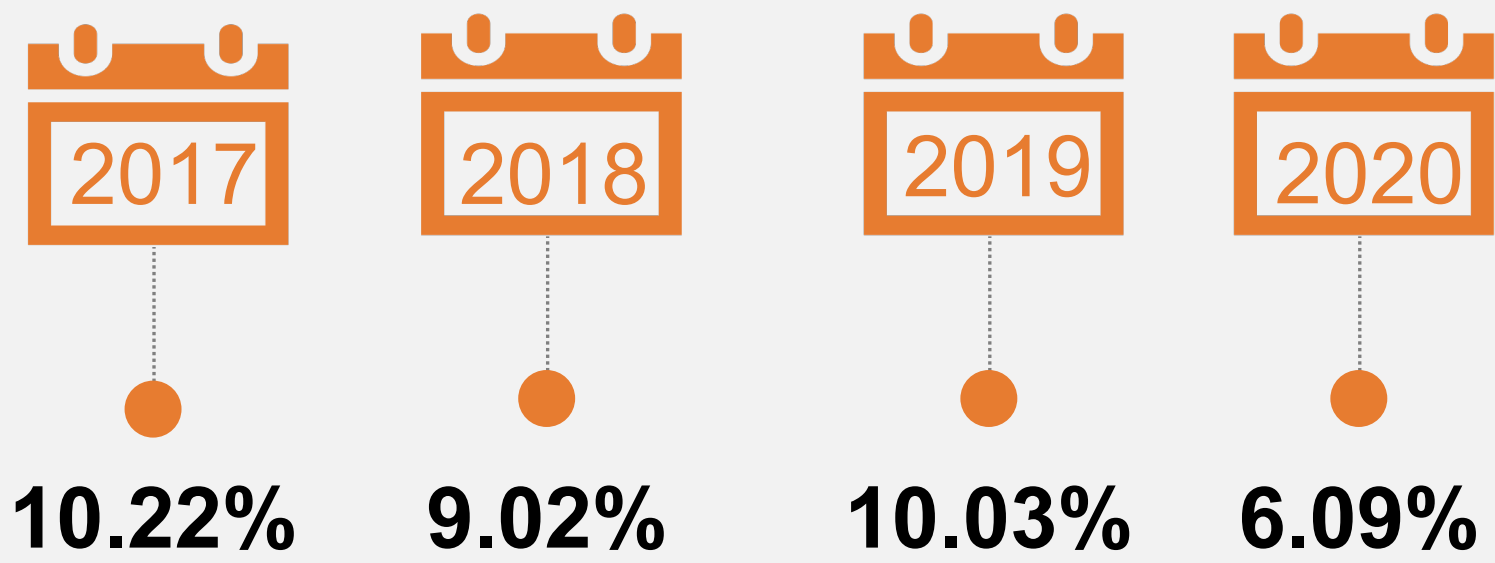
Note: Marketing and Communications expenses vary widely, from \$5M to \$65M depending on the size of the system.

# BY THE NUMBERS... PERCENT OF REVENUE

Marcom Expenses vs Net Patient Revenue: **0.7%**



Industry Average: **8.04%** (2021 CMO Survey)



# BY THE NUMBERS... WHO'S IN FOR 2021?

Adirondack Health  
Adventist HealthCare  
Akron Children's Hospital  
Altru Health System  
Arbor Health  
Ardent Health Services  
Augusta Health  
Avera Health  
Bassett Healthcare Network  
Beatrice Community Hospital & Health Center  
Beaumont Health  
Bronson  
Brookings Health System  
Cape Fear Valley Health  
Capital Region Medical Center  
Carilion Clinic  
Catholic Medical Center (CMC)  
Chesapeake Regional Healthcare  
CHI Health - Midwest Division  
CommonSpirit Health  
Children's Hospital of Richmond at VCU  
Community Health Network

Community Medical Centers, Inc.  
Connecticut Children's  
CoxHealth  
Deaconess  
Duke Medicine  
Franciscan Alliance  
Genesis Health System  
Good Samaritan  
Great Plains Health  
Hackensack Meridian Health  
HCA Healthcare Continental Division  
Hendrick Health  
Hillsdale Hospital  
HonorHealth  
Hunterdon Healthcare  
Iowa Specialty Hospital  
Jefferson Health  
Johnston Health  
Kearney Regional Medical Center  
Kittitas Valley Healthcare  
Lake Region Healthcare  
Lee Health  
LifePoint Health

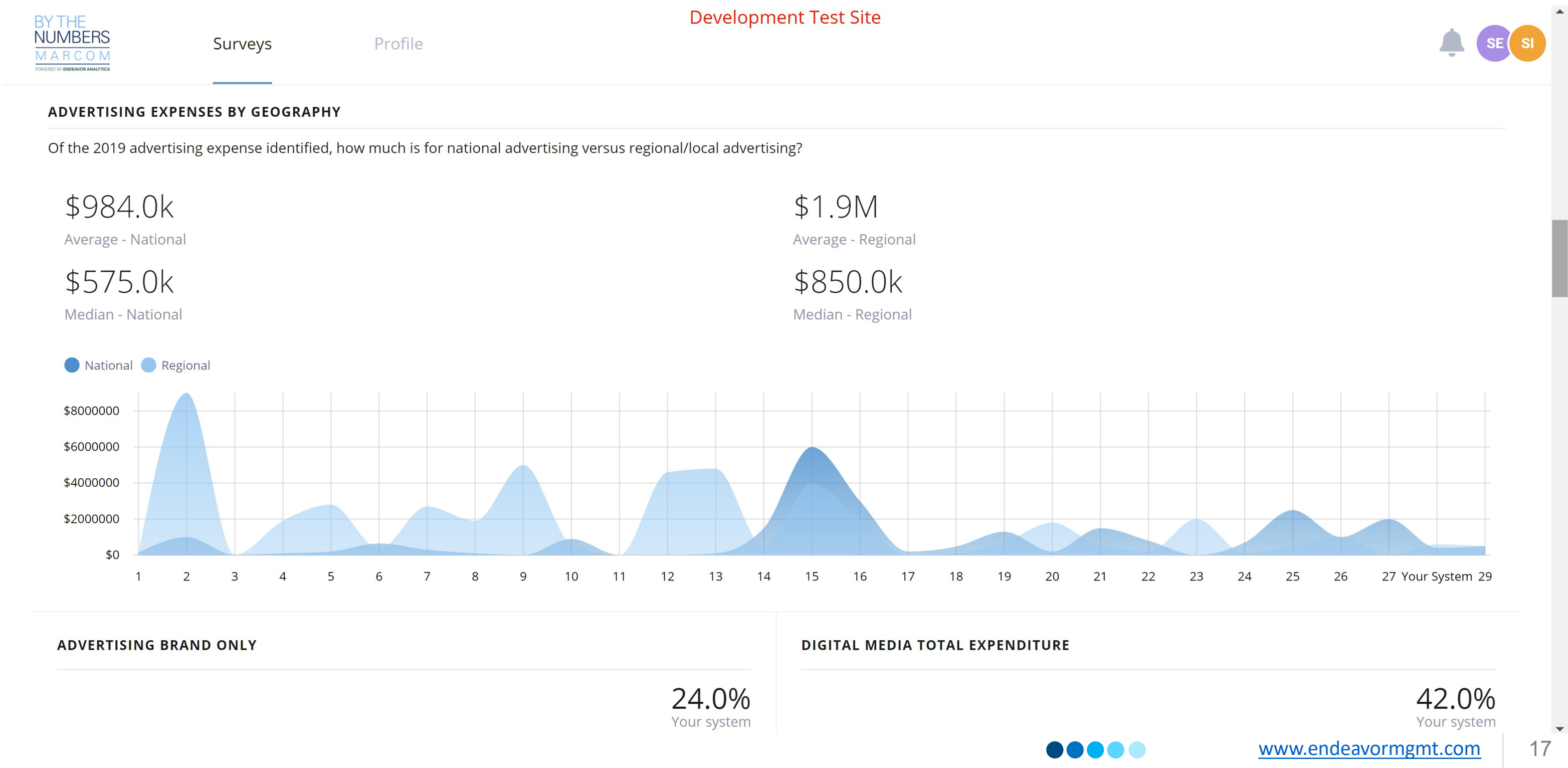
Major Health Partners  
Mass General Brigham  
MD Anderson Cancer Center  
Memorial Health  
Michigan Medicine  
Mosaic Life Care  
Mount Sinai Health System  
MultiCare  
MUSC Health  
North Kansas City Hospital  
Northern Nevada Medical Center  
Northwell health  
Northwestern Medical Center  
OIC  
Olympic Medical Center  
Oswego Health  
OU Health  
Overlake Medical Center & Clinics  
PHH  
Prevea Health  
ProHealth Care  
Salinas Valley Memorial Healthcare System

Shriners Hospitals for Children  
  
Signature Healthcare  
Southern Illinois Healthcare  
Southern Ohio Medical Center  
Stormont Vail Health  
Tampa General Hospital  
Terrebonne General Health System  
Tidelands Health  
Trinity Health- St Joe's  
Truman Medical Centers/University Health  
UChicago Medicine  
UHealth - University of Miami Health System  
UI Health Care  
UMass Memorial Health  
UNC Health  
Univ. of Maryland Shore Regional Health  
University of Michigan - Michigan Medicine  
University of Virginia Health System  
Veterans Health Administration-Veteran Integrated Service Network 10  
Virtua health  
Waverly Health Center  
WVU Medicine Camden Clark Medical Center





# BY THE NUMBERS... DEMO



# KEY TAKE-AWAYS



1. Engage your peers!
2. Make your CFO your best friend
3. Meet consumers where they are – it's changed since you last checked...
4. Get a seat at the patient experience table and be sure to include digital
5. Advance your strategy by looking outside of healthcare
6. Benchmark your organization today -  
<https://www.shsmd.org/resources/by-the-numbers-marcom>



# PETER MILLER



- Administrator of the Division of Marketing & Communications at Cleveland Clinic
- Peter is accountable to a staff of over 200 marketing and communications professionals.
- Peter began his career at Cleveland Clinic as a Market Research Associate in 1991.
- Peter received his undergraduate degree in English and Psychology from Kenyon College and his Masters of Business Administration from the University of Wisconsin at Madison.
- He is the originator of the Marketing & Communications Benchmark Research conducted annually by Endeavor.
- He is also an avid soccer coach, player and fan



# JOHN MCKEEVER



- Chief Growth Officer, Endeavor Management
- John works with healthcare leaders to grow and optimize their businesses.
- Over his 20+ year career with Endeavor, he has continued to work with marketing and strategy executives to design and implement high impact business transformations.
- He and his teams advance strategic initiatives such as customer experience design, entering new markets, creating competitive advantages in multiculturalism, and maximizing marketing performance.
- Since 2002, John has been an adjunct professor at the University of Houston MBA program, is a frequent conference speaker and author.