

AN INTRO TO

How Social Media & Healthcare are Colliding

A guide that explores how social media
impacts healthcare and physicians

BRAD SMITH

Editor of the Doctor's Journal



A Publication of



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About the Author



Brad Smith is the editor of the Doctor's Journal, and he's been featured in well known media properties like the New York Times, Business Insider, HealthWorks Collective, and more. You can email Brad directly at brad@doctorsjournal.com

TABLE OF CONTENTS

Chapter 1

How Social Media is Driving the
“Consumerization” of Healthcare

Chapter 2

Why Social Media in Healthcare is Good for
Physicians (And How You Can Adopt It)

Chapter 3

Why Social Media for Physicians has a
Positive ROI (Even If You Can't Measure It)

CHAPTER

1

How Social Media is Driving the
Consumerization of Healthcare



In 2004, Aaron Levie was still a college student at USC conducting research into online storage options for his class project.

The need to access data from different places or devices seems obvious now. But this was pre-iPhone and iPad. And smartphones at the time were less than good.

After a few months of prototyping, the simple storage service was open. And the two co-founders used a novel pitch at the time — free storage to incentivize press write-ups and early user adoption.

And Box (formerly Box.net) was born.

To keep up with demand, Aaron and his co-founder Dylan Smith began seeking more outside capital. Even Mark Cuban [invested](#) \$350,000.

But a pivotal discussion with early investor Josh Stein encouraged Box to focus on the enterprise market. Not only were they willing to pay more, but Stein also said they were “stickier” which would result in a much higher LTV per customer.

However they had an obvious problem... how was a new upstart supposed to gain traction with the enterprise, without a sales force and existing contacts?

Easy.

By taking advantage of how consumer behavior has evolved.

How a College Research Project Turned into a Billion Dollar Company

A traditional enterprise sales process would involve many different people.

The technical buyers were focused on evaluating potential vendors or suppliers. The economic buyer paid the bill. And the user — the actual person responsible for using or adopting the technology — was left with whatever the first two decided.

But Aaron and Dylan used the ultimate incentive — free — which was unheard of at the time. They would adopt a “bottom up” approach of acquiring the users first, which allowed them to initially bypass the Technical or Economic buyers that they didn’t have the means to reach, or cache to impress anyway.

So users began finding Box on their own, and recommending it to their teams. Through organic and incentivized network effects, Box [has grown](#) into a billion dollar company — and wants to go public.

Since then, countless other products and services have grown in similar fashion. Early adopters are finding new solutions and then recommending — or warning — their friends and colleagues.

This trend isn't just isolated to technology or software. It's even happening in healthcare.

How Social Media is Impacting the Consumerization of Healthcare

Google purchased Zagat on Sep 8, 2011. The world-renowned rating service was founded by a husband and wife team over 30 years ago, and grew to [serve](#) over 13 categories in 100 countries.

The acquisition gave Google a strong local brand, and it was immediately integrated into their Search, Maps, and Google+ products.

And according to [Rheumatologist.org](#), Zagat's rating services are expanding to provide patients a way to share experiences of individual doctors within an insurance network: *“Wellpoint and Anthem BlueCross BlueShield members now have the opportunity to rate their physicians in the areas of trust, communication, availability, and office environment.”*

One of the most important elements of Zagat's new scope is providing a total quality score that's made up of individual metrics for different categories. According to [Rheumatologist.org](#):

“Under the Zagat rating system, a physician who has a high rate of medical errors but a wonderful bedside manner and a beautiful waiting room can receive a higher rating than a physician with a better professional record but who has trouble communicating with his or her patients or has an outdated waiting room.”

So the overall quality score — the one potential patients and consumers use to decide between physicians — might be affected more by their bedside manner than their professional record. And it’s empowering proactive consumers to make better decisions...without having to wait on hold or step foot into an office.

How to Survive & Thrive in an Openly Connected World

Seth Godin published Permission Marketing thirteen years ago with a simple premise: the future of advertising (and marketing) will be less about “interruption”, and more about earning “permission”.

This seems obvious now. But before Google, Facebook and Twitter it wasn't.

Fast forward to 2009, and the founders behind software company HubSpot published, Inbound Marketing: Get Found Using Google, Social Media, and Blogs.

Different title, same premise. Capture attention, lure in prospects, and prioritize retention and referrals.

And it's the first step that has evolved tremendously over the past few years. According to [Forrester Research](#), *“Eighty-two percent of consumers researched a product before buying it, and nearly two-thirds of respondents say they pay more attention to prices and value now than they did a year ago”*.

This initial point of proactive research was even given a name by Google: **The Zero Moment of Truth**. And it's absolutely critical in today's marketing environment.

Consumer behavior has evolved with the new connectivity and technology at our fingertips. Digital marketing begins with finding out how to position yourself to win consumer's attention and trust, in a world where everyone has access to the same information.

Initially you reach these new consumers through organic search when they use an informational query. Because at this stage, they're still "just looking". They are recognizing their own need awareness, and beginning to form interest.

These are affluent, educated consumers who aren't stuck going to whichever doctor is in their local network of plan. They're not looking for the best bargain.

So they'll go to Yelp and compare reviews, ask their friends on Facebook, and then use Zagat's new ratings to drill down into individual categories.

This is the same exact process my wife and I took when we were expecting our first child and moving to a new city. We were shopping for the best doctor, pediatrician, and hospital. In a city filled with all of them. And with little concern for the cost.

These customer reviews, online testimonials, and websites were the critical first touch we had with each party — before even meeting them or stepping foot in their offices. If we didn't have a good gut feeling, or there wasn't a lot of information available, then we simply moved on to the next one.

The [average cost](#) of a normal birth in California was \$22,311 in 2010. No doubt that number has risen in the past few years. And what about the second or third child?

The lifetime value of a patient or family in this case could be over a hundred thousand dollars for every doctor and hospital involved.

Social media and other technological advancements have paved the way for prospective patients to shop around. Which means marketing — the process of getting attention, building trust, and retaining consumers or patients over the long-term — is now a crucial part how individual practices will survive.

And it's an essential skill for every physician to adopt.

CHAPTER

2

Why Social Media in Healthcare is Good for
Physicians (And How You Can Adopt It)

Why Social Media in Health is Good for Physicians (And How You can Adopt It)

The consumerization of healthcare isn't a passing fad, according to PwC's U.S. health industries leader, Kelly Barnes.

“Healthcare organizations are increasingly operating in a world in which the voice of the consumer impacts the bottom line, and where customer experience is now a matter of dollars and cents.”

“As consumerism in healthcare gains steam, customer feedback has become a determining factor in the success of health organizations. Ratings connect consumers' experience to quality, and quality connects to financial performance, market share and reputation.”

And if that doesn't impress you, then this might: 68% of people who've read healthcare reviews use that information to select their next physician, hospital, health plan, pharmacy, and drug or medical device, according to a recent survey from [PwC's Health Research Institute](#).

The writing is on the wall. Patients *can* and *will* shop around when they have to use more of their own money to pay for healthcare, and there are better channels of communication and information available to make those decisions.

Which means the way you reach them, engage them, and retain them has to evolve as well.

But is Social media in healthcare Good for Physicians Too?

Last year, a study in the [Journal of Medical Internet Research](#) surveyed 485 oncologists and primary care physicians.

60% of those physicians surveyed reported that social media *improves* the quality of patient care they deliver on a daily basis. It helps with receive new information, and engage with colleagues or patients.

One of the authors on that paper, Brian McGowan, also does a great job summarizing a few other key studies on his blog, [#SocialQI](#).

So if:

- Technology and social media are playing a big role how patients choose new physicians
- This trend is legitimate and growing according to industry experts, and
- The majority of other physician's surveyed rate social media as beneficial

Then... what are you waiting for? There are a few common reasons (or excuses). And some are very real.

Take patient confidentiality for starters. A recent [research paper](#) from the American College of Physicians and the Federation of State Medical Boards identifies a few major points in regards to physicians using online media technology:

1. Be mindful of ethical principles in regards to confidentiality, privacy, respect
2. Try to keep professional and personal social spheres separate
3. Document patient communication and stick to email (when there's consent)
4. "Self-audit" your own online presence to make sure the information is factual and accurate
5. Be aware that these online postings will be around a long time (and could have future implications)

All of these points are important to keep in mind. But they're also pretty straight-forward and obvious.

Which could mean a lot of physicians hold back on using social media because they're not sure where to get started, they don't have a mental framework for how it fits in their life, and they don't understand the impact it has.

So here are three simple questions you can work through below, that will help you adopt new online media technologies into your daily routine and practices.

Question #1.

Why Would You Use It?

Most lackluster social media results can be directly attributable to a disconnect between the (a) purpose and (b) execution.

If you can't define success before you begin, then it will never make a positive dent in your daily routine (no matter how many times you update a Facebook page or send out a Tweet).

This simple decision affects everything else. For example, what platform should you choose to focus on? (Because in most cases, you can't excel at all of them.)

So do you want to...

- Stay informed and on top of the latest news? → Twitter
- Keep up with colleagues, associates and opportunities? → LinkedIn
- Engage with patients and provide support? → Facebook
- Increase your organization's "reach" and "awareness"? → Yelp

Start here, and then you'll have a framework for guiding the next few decisions.

Question #2.

How Are You Going To manage it?

Now that you know *why*, let's talk about *how*. What's your role in the process?

Are you going to be a hands-on patient advocate, or would you rather outsource and let someone else worry about it?

Doesn't matter which one you choose — you just need to prepare accordingly.

If you want to be heavily involved, then pick up some “time hacks” to speed up your social media productivity.

And if you want someone else to manage it, then what's the relationship (e.g. a resident, independent vendor, etc.), and what are the checks and balances?

A simple policy might help, but you'll also need to think about your purpose (#1), and what are the concrete steps that will get you closer to achieving it.

Question #3.

What's the Feedback Loop?

If you (a) know the purpose behind an activity, and (b) can see who's responsible, then you'll know exactly how to measure the performance over time.

And you'll be able to see how it contributes to your thought leadership, patient care, or the bottom line.

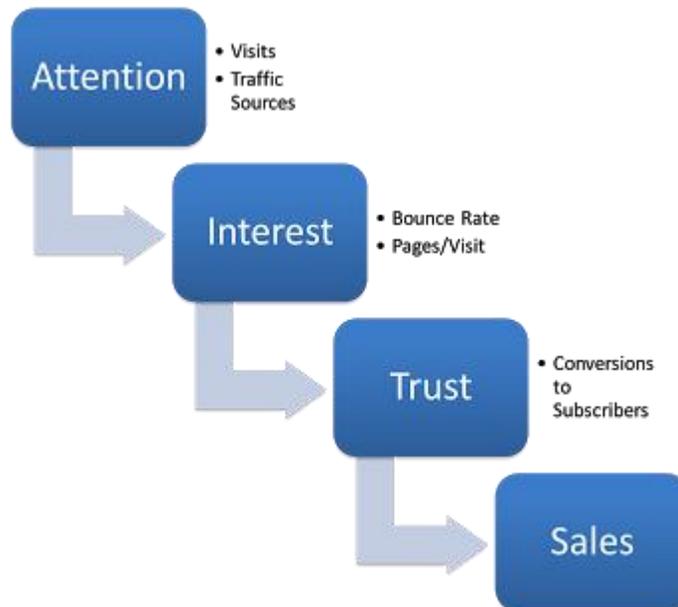
If your goal is thought leadership, then identify some simple actionable metrics, like articles published, interviews given, and colleagues contacted.

If you want to improve patient care, then how easily can they reach you, how often do you respond, which channels should you have a presence (like Yelp), and how many reviews per month can you incentivize?

And if you want to improve your bottom line, then you can even use an old copywriting framework — *AIDA* — which stands for:

- Attention
- Interest
- Desire (or trust)
- Action

Now plot a few simple metrics like so:



And link your activities to each of these stages, which will help you rationalize (or justify) the time, money and energy it takes.

But take caution with this approach, because unrealistic expectations can also be damaging to your progress.

A Caveat

Social media hasn't changed communication or marketing — it's just changed the delivery and distribution.

So if you want social media to build your practice and improve your bottom line, then like most brand-building marketing activities, you can't sell directly with it (at least, not all the time). It's hard to pinpoint a direct ROI like there is with direct mail or Google AdWords.

And correlation doesn't always equal causation. So...
how are you supposed to use social media to improve the bottom line?

CHAPTER

3

Why Social Media for Physicians has a
Positive ROI (Even If You Can't Measure It)



Forrester Research [analyzed](#) over 77,000 consumer orders in 2012 to figure out which online marketing channels **buyers** (not just traffic) were coming from.

And they found that despite recent changes in technology trends over the past few years, buyers tend to be influenced in largely the same ways.

Specifically, their research showed:

- SEO and Paid Search are best for new customers.
- Email is best for repeat customers.
- And social tactics are meaningless sales drivers — accounting for less than 1% of sales

One of the biggest problems is that social media's influence is hard to track. That's why it's nearly impossible to show a direct influence on sales without complex, sophisticated attribution models (that *still* don't do the trick very effectively).

But then again, it's also difficult to show the ROI for television ads, billboards, radio spots, putting your brand name in a stadium, and most other forms of brand advertising or marketing.

Yet they work. They correlate to improved sales (even though that doesn't prove causation). And brand still spend millions on them each year.

Social media hasn't changed marketing. So it can't be judged in isolation.

It's just added some new *distribution* and *delivery* options for those organization's brave enough to forge ahead, and creative enough to actually make it work.

And this is true regardless of what industry — because social media is consumerizing healthcare. So these same rules now apply to physicians and practices too.

Why a Toy Maker Can Teach You About How to use Social Media for Physicians

“Social media” goes beyond updating your Facebook page or throwing a Facebook button on your website.

And leading toy maker Step2 is proof of that. For example, they’ve used the Facebook Connect feature to create PowerReviews — a mini Amazon-like experience for their consumers. To date, 20,000 peer-to-peer reviews have been left.

Tena Crock, the Online Marketing Director for Step2 told the [Wall Street Journal](#):

“Sales from Step2.com increased 130 percent year-over-year after PowerReviews added loyalty and badges for reviewers and buyers in February 2012. Since October 2010, Step2 has recorded a 300% boost in revenues from visitors who arrive at Step2.com via the Facebook Connect button.”

So social media *can be* used effectively to generate sales... even if it's indirect. Because it does two important things for your brand:

- Allows you to reach more people, with less cost (decreasing the cost of customer acquisition)
- Keeps people engaged longer (increasing the lifetime value of a customer)
- Each business — no matter what industry, vertical or profession — has a cost to acquire each customer. That could be hard costs like direct mail, or soft costs like salaries for marketing and sales people.

And the lifetime value of a customer is more important now than ever. Global competition's at an all-time high, and technology continues to disrupt the way every single industry operates.

Social media improves your marketing ROI because it decreases the cost of acquiring new customers, while increasing the lifetime value of that customer at the same time.

How a Software Company Grew Revenues from Less than \$1 Million to \$20 Million in Only 5 Years

On May 1st, 2012, online marketing software company SEOmoz [announced](#) that they raised \$18 million dollars.

In an incredibly transparent blog post, they even shared the pitch deck with key business metrics that detailed their journey reaching this point.

SEOmoz was originally an SEO consulting company, before releasing a suite of tools in 2007 and pursuing products full time. Since then, they've grown revenues from under a million to about \$20 million in five years.

One of the reasons they were able to grow so quickly was their *huge, active* audience in place. Their website gets 2 million visits per month, they have over 200,000 email subscribers, and over 100,000 Twitter followers and RSS subscribers. Having a huge audience like this means that they acquired almost all of their customers (85%) *organically* — through these “inbound” or social strategies.

So the cost to acquire each customer was only around \$78. (Whereas if they used traditional “outbound” sales or paid acquisition — the same ways that most other companies grow quickly — the cost of customer acquisition would have been 2-3x more!)

But lowering the costs of acquisition isn't all. These strategies also increase the lifetime value of each customer. For SEOmoz, that means each customer is worth over \$1,000.

Now compared to the tiny amount of \$78 to acquire, and you can see that these strategies not only impact sales, but can also be highly profitable.

3 Ways Social Media Can Bring in More Patients & Keep Them Around Longer

Most organizations have lackluster social media results because of lackluster execution.

Usually this stems from a misunderstanding of how to adopt these new technologies into day-to-day routines or processes.

But once you can move past the readiness (and willingness) of adoption in your organization, there are three primary ways to improve an organization's goals with social media:

Step #1.

Increase Sales through Increasing Conversions

When you combine social media with other online marketing channels like organic search or email marketing, it enables you to develop *engagement* faster.

What's so important about *engagement*?

Engagement builds that “missing link” between strangers and loyal patients. Namely, trust.

People need to *know, like* and *trust* you before they buy. Or listen to your recommendations. Or decide to come back. Or tell their friends to give you a try.

But social media can help bridge this gap, and indirectly drive more conversions. All while costing you less out-of-pocket when you compare it to the traditional marketing techniques you would have to use for similar results.

One of the best ways to quickly drive engagement is through a social media promotion. They can help you break up the day-to-day monotony, and provide an *incentive* to interact and share.

Here are a few quick tips for running a successful online promotion:

1. **Determine Your Goal:** If your goal is to increase engagement, then create an interactive contest where people need to get involved and contribute somehow.
2. **Partner with Others:** Who are the groups, people, or brands that influence your potential patients? Find those people, and partner with them. You could give away their products to your audience (to keep the cost down), or you can cross-promote your contest to their audience to grow your own reach as well.
3. **Include Bloggers:** Bloggers are much easier to work with than traditional journalists, and they can give you the same end results — more eyeballs. Think about how you can get them involved, so they will help promote your new contest.
4. **Add a Viral Hook:** Finally, you always want to include a viral hook where you can. For example, [Wildfire](#) enables you to give contests an extra incentive to promote the contest for you. The winners (or finalists) of the contest will be the ones with the most social media votes.

Promotions like this can give you a quick shot of engagement, while also exposing your brand and practice to new audiences.

Which brings us to the next benefit...

Step #2.

Decrease Costs through Increasing Awareness (for Less)

The built-in network effects of social media helps messages travel faster and further for cheaper than other alternatives (like television ads, billboards, or print).

And you can also reach customers *sooner* in the buying cycle.

Most potential patients can now read all about you at the “[zero moment of truth](#)” on review services like Yelp, and through Google+.

Where is the first place you go to do research online? Google. And everyone’s search results are now personalized based on (1) your past browsing history, (2) your physical location, and (3) your social media connections.

Yelp and Google+’s local and business information will give these people a quick snapshot of an entire area in just a few minutes — before having to call anyone or visit your website.

Your Google Place (and Maps) information is now integrated with Google+. So improving your Google+ presence will go a long way to improving your local search results.

So where should you start?

Incentivize Google+ reviews. Not in a shady, unethical way. But get creative. What local businesses can you partner with to offer discounts your patients if they leave a review after their visit?

You can also combine this with lifecycle email marketing campaigns to automatically remind and follow-up with everyone that leaves your office.

Simply schedule a few emails to go out 3, 7, and 21 days after each patient's visit. And you should immediately start to see a notable increase in reviews.

Step #3.

Increase Customer Support through Increasing Customer Loyalty

Finally, improving customer loyalty is key to increasing the lifetime value of each patient.

And there's no better channel than social media, because of the availability (24/7), scale, and potential for personalized one-on-one attention.

For example, regular content creation and syndication will increase your thought leadership and brand positioning as the *go-to expert for your niche in your area*. This drives more demand and “lead generation” — or new people walking in your door.

Start with the common questions you get, or recurring “pain points” that keep coming up.

And don't just stop at the symptoms. Dive deeper into outcomes or affect it has on people's day-to-day lives. Sympathize with their condition, present the problems associated with it, and then offer up the solution (you — and your services).

This will help build a platform and community of people, which creates stronger ties between patients and your practice.

And it enables you to generate more new referrals (without necessarily doing a lot more work to solicit them).

Which is critical, because referrals are the easiest and best source of new business. They automatically trust you, and are predisposed to like you.

True word-of-mouth is rare, but powerful. And social media is the best way to harness it online.

About The Doctor's Journal

Economies are undergoing unprecedented change, healthcare is becoming “consumerized”, and careers are becoming more entrepreneurial.

[The Doctor's Journal](#) chronicles this journey, and keeps you ahead of the curve with weekly in-depth articles on business, technology marketing, and finance.

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