Marketing—What Is It?

Goran B. Klintmalm

During the past 15 years, the business world has invaded the science and art of medicine. As medicine turns into a business, we have seen profound changes in the attitudes of the medical community. Marketing to the patients or the public used to be counter to time-honored standards. Physicians who advertised themselves were viewed as people who broke the honor code of medicine. In fact, the public relations department of an institution usually consisted of only one person who was the spokesperson for the hospital during a time of need. However, even then a few insightful individuals and institutions realized that a scientific paper published in a highly regarded journal had a dramatic impact on patient referrals. They understood that the publication of scientific papers was in effect a form of marketing. The focus was to build the image of superior expertise. The image gained the attention of the referring physicians and the public at large. To build and maintain a prestigious reputation fed the referral lines for both physicians and institutions.

Then the three-piece-suits of the business world walked through the doors of the insurance companies and took them over in an effort to "control spiraling medical costs." Rather, they created spiraling profits for the insurance industry and those who controlled it. This turn of events converted the healthcare industry into a marketplace. Medical providers, both physicians and institutions, were totally unprepared for the change. As they saw their bottom line dwindle and disappear, the negative attitude toward marketing and advertising was abolished. Today, most institutions, and certainly all tertiary care institutions (including all academic institutions), have marketing departments and well-staffed public relations departments. The marketing and public relations departments are important tools in maintaining the patient flow to the institutions. Today, all physicians, both private practice and academic, recognize and understand that marketing is something that is not only necessary but also acceptable.

During 15 tumultuous years, profound changes have been seen in how healthcare is delivered. Managed care has strictly controlled patient flow and referrals so that both institutions and physicians have begun to feel the financial pinch of reduced profit, to the point where many previously healthy and highly respected institutions have gone bankrupt. Transplantation changed from a discipline that was practiced at few institutions and delivered to a limited group of patients to a discipline that is embraced by the public, the providers, the insurance industry, and the government as a highly successful treatment that should be available to all who meet the criteria. With the acceptance of organ transplantation, the decline in reimbursement from Medicare/Medicaid, and the often outrageous demands from the managed care industry, the question is raised, "Where does marketing belong?"

When the multiorgan transplant program began at Baylor University Medical Center, the press could have been an extraordinarily powerful marketing tool in furthering program growth. However, still caught in the dogma of days past, Baylor University Medical Center did everything possible to suppress the interest of the press in the transplant patients. This attitude clearly slowed growth. It was only a few years later when older conservative institutions took an interest in marketing that there was a revolution in transplantation. The masterful presentation of the University of Chicago regarding their adult-to-child living donor liver transplant program and the recent successfully publicized adult-to-adult transplant program at the Medical College of Virginia were major contributors in this attitude shift.
Publication in a frontline journal has a public relations value worth millions of dollars. You cannot buy the prestige and trust that scientific publications render.

In 1988, however, the insurance industry began the process of creating special case managers in central offices to review and handle transplant cases. Baylor University Medical Center realized that these case managers and medical directors were probably the most important target for a marketing effort. To reach the targeted audience, the medical center created a 2-day seminar aimed directly at the case managers and medical directors of the managed care companies. The days were full of information about the implications, contraindications, treatment protocols, complications, and outcomes in all the various organ systems. The primary purpose was to educate these important individuals about transplantation, which was still scarcely known about at that time except by those directly involved. Second, the medical center wanted to establish a personal relationship with these individuals so that when they were contacted regarding a patient, the center could quickly come to an agreement and gain approval for the proposed treatment of the patient. Finally, the symposium was designed to build up the carrier’s trust in the program. This Insurance Symposium was extremely successful, and the center gave it annually for 10 years. Several insurance companies even budgeted for their case managers to come to the symposium on a regular basis. However, in the late 1990s the insurance industry was beginning to have some financial liquidity problems; budget cuts were made and educational travel for the case management staff was canceled. At the same time, a number of other institutions noticed the concept, and one could find similar symposia at many places in the United States closer to corporate home offices. Instead of having the national market, the symposium had only the local market. We have since ceased to hold this symposium because there is simply not a large enough audience to justify the expense.

Transplantation is like all other medical care in that it is market-driven. What is the market? As with all other specialties, transplantation has 3 different “buyers.” First, we have the public at large. Their opinion and regard for the institution is an important factor in their selection of a hospital for themselves, and they frequently request to be referred to a named institution. The 2nd buyer is the referring physician. He or she can be found anywhere along the chain of physicians, from family practitioners to highly specialized physicians. These physicians refer their patients to institutions that have a scientific reputation of expertise. The 3rd buyer is the insurance industry. They have a need to have institutions in their networks that have the reputation of excellence of care, as well as outstanding results. However, over the past 5 to 6 years, the importance of this has diminished when compared to the bottom line. The insurance industry has become increasingly more price-driven. Consequently, I believe that marketing aimed at the insurance industry has become less and less important.

The most effective means of marketing to the public is through the media. The printed press as well as the electronic media has an immeasurable impact on the public. Stories about the transplantation program are essential to establish the aura of expertise in the public’s eye. The Internet became a major source of information for the public almost overnight. We find that the vast majority of our patients have actually accessed and searched the Internet to find information regarding transplantation, the institution, and its physicians before they come for an initial evaluation. The development and maintenance of our Web site is of prime importance in reaching the public.

As for marketing to physicians, there is no question that scientific publications continue to be by far the most important means in promoting referrals. The referring physician has been and will continue to be the single most important individual in the chain of referrals to transplant programs. Despite the restrictions placed on the referring physicians by managed care, they are still critical for all transplant programs. Publication in a frontline journal has a public relations value worth millions of dollars. You cannot buy the prestige and trust that scientific publications render. All academic institutions are keenly aware of this fact; even if they do not publicly profess it, they realize that this is the most powerful marketing and public relations tool they have.

In addition to peer-reviewed publications and presentations at national meetings, publications such as the Mayo Proceedings and the Baylor Proceedings that are sent to referring physicians are im-
important. In addition to Baylor Proceedings, the medical center has been publishing a newsletter called Transplant Update since 1993. A 4- to 8-page publication, it presents new aspects of transplantation to referring physicians and insurance case managers. Results of clinical research that has been performed at Baylor, outcome statistics, and personnel changes in the various divisions of the transplant program are presented here in a brief and quickly digestible format.

The managed care industry has a love/hate relationship with the provider community. They love anyone who will accept their lowest rates, and they hate those who turn down their proposals. The price settled upon is not everything, however, and scientific reputation and outcome data are still an important piece of the total package. Today, Baylor’s managed care contracting office and its representatives are more important in keeping the attention of the various carriers than any pamphlet, Web site, or scientific publication.

When all is said and done, marketing has become a vital part of both academic and nonacademic programs. However, marketing and public relations departments cannot buy respect and reputation. Scientific and clinical excellence coupled with excellent outcomes and superior service to the patients, their families, and referring physicians remains the primary factor in attracting them. Marketing is only a tool used to let them know your accomplishments. You can’t buy your reputation in transplant—you have to earn it.