

Reaching the Next Generation of Healthcare Consumers

Advice from Scott Public Relations

The aging of the baby boomers has captured the attention of healthcare companies as a bonanza of marketing opportunities. Yet, while it's true that this affluent generation will be spending millions in its pursuit of good health and driving demand for a wide range of healthcare products and services, industry marketing strategies should not neglect to build market share and brand equity with the up-and-coming healthcare purchasers--Generation Y.

Also known as "Millennials" or "Echo Boomers," Generation Y consists of people born between 1977 and 1994. As a generation of consumers, they follow "Generation X" (1965 to 1976) and the Baby Boomers (1946 to 1964). Numbering at least 60 million and representing about \$200 billion in annual spending, this generation is the largest consumer group in U.S. history. Every market segment, including healthcare, can and should be vying for their dollars. Marketing to Gen Yers is no longer considered "teen marketing." It is a coming of age of a new generation.

Who are they?

Gen Yers are an active and mobile population. Theirs is the first generation to grow up with personal computers, Internet access, downloadable music, instant messaging and cell phones. Any information they'd like to get their hands on is at their fingertips. They expect easy, immediate and convenient access to information.

Most have also been raised in either dual-income or single-parent households. Family demographics have made them more independent and given them more financial responsibility. As a result, they are practical planners. Three key factors make this population category attractive:

1. **Spending power:** They are used to having their own money.
2. **Influence:** Older Generation Yers are making their own healthcare purchasing decisions. Teens and pre-teens are key "influencers" in their households.
3. **Brand loyalty:** This generation has grown up in an ad-saturated environment. Early brand intervention creates deeper relationships.

How do you reach them?

This generation is quickly becoming dependent on the Internet for all of its information needs. Members are also more aware than the earlier generation that the world is a global marketplace. If one resource doesn't have what they want, there are hundreds of other options just a few clicks away. As this group enters the marketplace, its members are making it clear what kind of communication they respond to.

- First of all, they must be acknowledged. Healthcare providers should speak to them not to their boomer parents.
- Second, they want to have a more intimate experience and not be fed a diet of generic mass-marketed messages.
- Third, peer-to-peer communications is key. They respond to messages in places where they come together (in physical groups or online) so that they can compare experiences with people in their age group. To reach them, marketers should take the message to the places Gen Yers gather, and then speak their language.

If your healthcare organization isn't marketing on the Internet, you are missing a brand building opportunity. A 2003 survey of 2,500 youths ages 13 to 24 conducted by Yahoo! Inc. and media services company Carat North America, discovered the Internet was the primary medium of choice.

Time spent online surpasses all other forms of media. In an average week, Gen Yers spend 16.7 hours online (excluding e-mail), 13.6 hours watching television and 12 hours listening to the radio.

Healthcare marketers should build Web tools into their budgets to reach this group. For example, you can offer online interactive services, such as webinars, to hit multiple marketing goals: provide information, build brand preferences and create the peer-to-peer communication. Fisher-Price developed a method to reach first-time mothers in their early 20s by developing Web-based parenting guides. These 20-something parents grew up chatting online, so they may respond positively to a site that offers a chat function or blog commentary.

Gen Yers will rely on the Internet to research health issues that are important to them. The company that can answer their questions and provide them with accessible, easy-to-understand information will have a competitive advantage. They'll also use the Web to select providers. Provider and health plan "report cards" will be important resources, as will reports from regulatory agencies, consumer groups and customer satisfaction ratings. If a company can't communicate by email, this wired generation will be suspicious. E-mail can be used by healthcare marketers to:

- **Stay in touch.** For example, American Airlines launched a college version of its popular Net SAAver program, which offers discounted fares to subscribers by email in an effort to capture early brand loyalty. Some health systems are utilizing this tool to reach out to Gen Yers by incorporating a Web-based newsletter that is e-mailed to those who sign up whenever it is updated.
- **Make appointments.** New web tools will enable self-scheduling.
- **Maintain medical and health plan data.** These consumers will be comfortable keeping and updating their medical information at secured sites and will want the convenience of online updating and tracking of expenditures and reimbursements for new consumer-driven plans.
- **Provide electronic consultations.** Notwithstanding privacy, liability, and reimbursement considerations, this generation will definitely expect email communication from providers and doctors, and will want to be able to email their physician with questions about their condition and get an answer. Research shows patients tend to be more open about their symptoms when they are sending an email to their doctors in the comforts of their own homes. Studies have also proven that office visits reduced to 15 percent based on a scenario where an e-mail was set up in a doctor's office.
- **Offer telemedicine services.** Monitoring blood pressure, glucose levels, weight and other vital signs via the Internet will be a boom to this mobile group.

Reaching Gen Yers may also be accomplished with offline tactics that tap into this group's desire for community and peer-to-peer communication. Grassroots efforts effective with this group include the use of street teams. While they have been primarily used for entertainment marketing, street teams are a perfect vehicle to build brand awareness for healthcare organizations. For instance, street teams can go to an event and hand out educational pamphlets on issues ranging from smoking and safe sex, to nutrition and exercise. They can also distribute CDs, t-shirts, stickers and fliers to garner interest in health promotions.

Pay attention to the future

As Generation Y grows up, its members are becoming the primary healthcare consumers of tomorrow. Some of the biggest brands on the market today got their start by bonding with the baby boomers early and following them from youth into middle age. Healthcare market strategies that have been focusing on the baby boomers should capture the Generation Y psyche today to capture the healthcare consumer of tomorrow.

Scott Public Relations is an independent public relations agency specializing in health care, insurance and technology. Founded in 1987, their mission is to combine senior business people with an organizational structure and unique tools to produce strategic thinking that impacts clients' bottom lines and keeps clients "A Step Ahead." For more information, contact Joy Scott at 818.610.0270, or joy@scottpublicrelations.com, or visit www.scottpublicrelations.com.