



Marketing Goals and Strategies

Introduction

Cancer program competition continues to increase in most markets at a very dynamic rate. The Strategic Management columns in 2005 focused on developing a successful strategic plan. An essential element of every cancer program is its marketing goals and strategies that make up its marketing plan. This column will provide a checklist regarding the content for the marketing goals and strategies that cancer programs (and oncology service lines, if organized as such) should consider.

Marketing Mix

With the cancer program mission and vision having been established and market strategies formulated, leadership should have a solid foundation to formulate a marketing plan. This column will discuss the marketing goals and strategies that might be included in such a plan. To begin, the cancer program marketing plan must define the marketing mix. Key marketing mix considerations include the following.

Place

- The plan must define the target markets to be served in the future. This definition must include the current as well as desired future market share goals.
- The plan must define the locations where cancer program services will be provided and the scope of services within each location.

Product and Positioning

Define the cancer program's fundamental goals:

- Scope of service and technologically position
- Service orientation
- Accessibility
- Role in providing multidisciplinary, evidenced-based, and disease-management-based care

- Level and scope of communications with referring physicians
- Role in the community (scope of services)

Promotion

- Specifically define how the program will be differentiated.
- The direction, pace, and key elements included in promoting the program include:
 - Applicability of direct consumer advertising targeted at strategically selected segments
 - Web-based educational, informational, and interactive forums
 - Network-based referral relationship-building throughout the state
 - Active community-based screening and education programs
 - Strong, frequently visible (weekly or monthly) media relations (message focusing on education, multidisciplinary care, and national and international expertise, as applicable)

Price

- Define the desired or targeted cancer program payor mix.
- Define the target program price position.
- Define mechanisms for determining charges for outpatient infusion therapy charges, in light of the increased attention and scrutiny of hospital practices to mark up pharmaceuticals 200% to 300%.
- Identify how value will be demonstrated to payors.

Marketing Goals

A cancer program's marketing plan should include a combination (as appropriate) of the following marketing goals (in no particular order):

- Build key oncology service-line services, with particular emphasis on:

- Multidisciplinary-based care for selected cancer sites (eg, breast, gastrointestinal, lung, and prostate cancers)
- Radiation oncology services and future investments
- Establish the cancer program as a strong market competitor and the “destination center.”
 - Select targeted geographic and demographic segments (eg, targeted payor mix) to increase volume.
 - Increase referrals from loyal primary care providers.
 - Significantly increase cancer screening (particularly mammography, prostate, and gastrointestinal) and cancer program education activities (both community based and continuing professional or medical).
- Establish and maintain active multidisciplinary practices in key disease categories, with particular emphasis on breast, gastrointestinal, lung, and prostate cancers.
- Ensure customer satisfaction with access and services provided the highest level of service that is feasible at all oncology service-line sites as reported by customer-satisfaction surveys that exceed 90% in all categories measured.
- Maintain and improve service-line profitability.
 - Goals should focus on targeting total margin targets.
 - Goals should focus on increasing the commercial percentage of the payor mix.
- Develop patient outcomes and referring-physician databases to track oncology service-line referrals and performance.

Marketing Strategies

Once the marketing goals are established, strategies can be formulated. An example set of strategies might include the following.

Goal 1

Build key oncology service program volumes, with emphasis on (1) multidisciplinary-team-based approaches in key and selected cancers (eg, breast, gastrointestinal, lung, and prostate cancers) and (2) radiation oncology investments.

- Strategy
 - Direct resources and communications to continue supporting strong program elements and to build and strengthen high-incidence cancers services.
 - Consider building discrete multidisciplinary- and disease-based “centers” (eg, urologic health center, digestive disease center).

Goal 2

Establish the cancer program as a strong market competitor and the region’s “destination center.”

- Strategy
 - Significantly strengthen the cancer program by fortifying and building key services, differentiating the scope of services and service levels for each key service from community-based providers, and recruiting renowned physicians with specific oncology expertise to support service operations.
 - Aggressively promote the cancer program to all market segments.
 - Maintain strong, positive, service-based relationships with primary care and referring physicians.
 - Significantly increase awareness and recognition of the cancer program through selected, high-yield promotional activities, media relations, and educational and screening activities.
 - Aggressively promote the program through the specific hospital and cancer-program websites and the Internet.
 - Utilize direct consumer advertising (targeted at strategically selected priority segments) to promote the program and selected services.

Goal 3

Ensure customer satisfaction with access and services provided the highest level of service that is feasible at all oncology service-line sites as reported by customer-satisfaction surveys that exceed 90% in all categories measured.

- Strategy
 - Ensure ease of communication and convenient access to and service-delivery satisfaction for all cancer program patients and primary individuals assisting patients managing their care processes.
 - Routinely monitor program “customer” satisfaction.

Goal 4

Improve cancer program profitability, which includes (1) the total margin goal (expressed as a dollar target by a specific year) and (2) the targeted payor mix (expressed as percent distribution among payors by a specific year).

- Strategy
 - Organize the program into a service line, if appropriate. If needed, hire an experienced, qualified, outcomes-oriented program or service-line admin-

istrator with the responsibility to implement the service-line strategic business and marketing plans.

- Enter into business arrangements (eg, service contracts, joint ventures) with physicians (the exact arrangement will need to be stipulated).
- Differentiate the program to payors, self-insured employers, and benefits managers by using outcomes data. Maintain routine contact and communications with them.

Goal 5

Maintain patient outcomes and referring-physician databases as a source of research and marketing information.

- Strategy
 - Develop and routinely maintain an outcomes and referring-physician database.

- Routinely monitor outcomes and update the database. Analyze and use the database in marketing initiatives and in performance- or quality-improvement discussions and initiatives.

Once the marketing goals and strategies are developed, the tactics, priorities, and resource requirements can be formulated to prepare the implementation plan and complete the marketing plan.

Joseph M. Spallina, FAAMA, FACHE, is the director of the Arvina Group, LLC (www.arvinagroup.com). Address correspondence to jspallina@earthlink.net.