

The Application of Magnetic Based Card Technology to enhance Customer Relationship Marketing AND the Measurement of Downstream Revenues for Women's Health Services

Moving from "Tell and Sell" Marketing to a "Listen and Learn Your Customer" Philosophy of Marketing

Marketing to women has significantly evolved over the past 20 years. In the 1980's, the emphasis was on mass marketing with the assumption that something would impact the woman if enough general material were thrown her way. Tell her -- then assume that will sell her.

In the 1990's there was a greater recognition of the woman as a decision maker for health care. And, marketing evolved to become more direct and more targeted to the woman.

Today, the key to marketing to women is to really know the woman as an individual and to meet her unique needs. It is imperative to listen to the customers and learn about them, to maintain a continuing relationship. Does not Amazon.com send a little message each time there is a new novel by an author whose book you have previously ordered? This is a way of maintaining a cyber-relationship with their customer. They track the purchases of each of the customers and gently inform them of "new and exciting" potential sales.

Wegmans is a grocery store chain in the Northeast United States that is consistently recognized as one of the 100 best places to work in America. They have learned the benefits of knowing their customers and the impact on sales and growth that this customer relationship allows. They have monitored and tracked their individual customers and their families, with the knowledge of the customer, through the use of an *intelligent magnetic-stripe Shopper's Card*. Using the information from food purchases correlated to that person (and their family), Wegmans will send out e-mail on Monday morning to their customer with a weekly menu planner, recipes and a grocery list – *tailored* to meet the number of people in that family and their particular food preferences. The cards also collect information for the customer to earn "Wdollars" that can be used to purchase goods at the store

Frequent flyer programs of airlines, hotels and rental cars – Designer Shoe Warehouse Club Cards – Hallmark Crown Club cards – all TRACK purchases, amounts and information about their customers.

Health Care has been slow to adopt these more direct methods of marketing to their clients. Over the past few years, Y2K concerns also restricted many new technologies and non-essential computer or information system implementations. Membership programs for Seniors and Woman's Centers have been profiled in previous issues of The Ireland Report. These membership programs did occasionally have a membership card – but the cards were not computerized and when they were used, it required a manual count of the services used. Only recently has the implementation of a magnetic-card-based program been available to Woman's Centers. The magnetic card based membership program will allow the Woman's Center Director to:

- Monitor the activities of the woman throughout the health care system (and wherever a tracking reader is placed)
- Tailor programs to her particular interest
- Measure downstream revenues

through monthly reports that are automatically produced off the database. And, it is very affordable and designed to pay for itself with only 2000-4000 members.

Other businesses have leapfrogged over health care in “knowing their customers”. We in health care, still have a tendency to “know what is best for our clients” and have not maximized the technologies that lend the ability to target customers with *their* specific interests. For instance, in the real estate industry – once you buy a new home – you are suddenly deluged with landscape brochures and interior design magazines from companies you never knew existed! That is because of the market networking interrelationships of these companies. Their symbiotic market-target abilities actually provide a convenience for the new homeowner while meeting their current needs and interests – while at the same time, there is the intra-promotion of services.

For the past fifteen years, since the renewed recognition of the importance of women’s health services, women’s center directors have been looking for a way to actually track and *document* this degree of importance. We have all heard the figures that women are responsible for 70-90% of the health care decisions and that the investment in preventive women’s health services, such as mammography, does offer a positive business bottom-line venture, with the inclusion of peripheral revenues. But, the ability to actually track these peripheral revenues and other facts, has been either manually cumbersome or close to impossible to timely capture.

The Drivers behind the Initiation of The Membership Program

The need to document the impact of women’s health services has driven a new look at membership programs and how they might be used to measure the is impact. The balance of this article describes one solution. Smith Hager Bajo has worked with Datacard Companies over the past two years, to determine whether card-based technology, currently used on college campuses and with the Veterans Health System among others could be adapted to meet this need. Datacard Companies are the world’s largest distributor of credit, magnetic and smart card systems. They are the distributors of over 80 million health based cards carried by everyone in Germany.

The eight drivers used in the design of the solution were the following:

1. The system could not be expensive or complicated and ideally should pay for itself.
2. The magnetic stripe card should be primarily used as an identifier for the women and not carry additional medical data, such as a smart card.
3. The system should be stand-alone or have the potential to be integrated into the hospital’s database, at the discretion of the women’s center director.

4. The system should have the ability to track women as they go through the health system in selected or all areas.
5. The system should have the ability to build a database for marketing purposes that can be specific enough to match risk assessment information with a particular women.
6. The system should be designed so that additional features – such as instant registration – with the singular swipe of a card – could be added.
7. The system should be designed so that it could be adopted by other areas of the health system such as a Seniors program or disease specific programs.
8. Downstream revenues should be tracked in a more comprehensive and responsible manner.

Description of the Basic Process

A membership program (with unique benefits and marketing elements) is initiated by the women's center and the completed application forms are accumulated in a central office. Membership cards are printed and distributed by mail or at education sessions –or by other methods. Other benefits of The Membership Program, such as discounts on fitness facility memberships, books, wellness risk assessment forms, education series agendas etc. are also distributed at this time.

Each card will be printed with the hospital/health system's logo and other branding information. Upon issuance, the card will be personalized with the name and member number of the cardholder. A unique patient identifier will be stored within the magnetic stripe. If a co-sponsor (i.e., an area pharmacy) has been secured, their logo would also appear on the card. A co-branded card could provide the member with benefits that could be enjoyed at the co-sponsor's place of business.

Card reading terminals will be installed at designated sites across the hospital/health system and a membership-tracking database will be installed. Upon arrival at health system location, the member's card will be swiped in the card terminal. The terminal will record the patient's name, the physical location visited, the date and time. This information will be sent electronically to the tracking database. As a result, it will be possible to track utilization patterns for The Membership Program members.

The Membership Program tracking system can also be used to immediately notify if a specific patient type (such as a VIP) has registered. For these specific patient types, an identifier flag is stored in the magnetic stripe. When swiped, the patient-member's identity and encounter location are stored in an e-mail frame and immediately sent to a pre-determined individual for notification and action. The VIP message can be sent to a pager, a printer or an e-mail address.

Reports can be printed on a weekly or monthly basis by several different data cuts.

Why a Membership Program?

Costs for implementation of the program can be offset by enscorning the tracking card program and allowing the option of collecting a “membership fee”. It can also provide women with a *package of benefits* that are of perceived high value and also could drive the use of your health system’s other services. By charging \$10-\$20 for the lifetime membership, the costs of the program elements can be offset – plus provide additional funds for the administration of the program or in support of education programs.

Lehigh Valley Health Network

Lehigh Valley Health System is currently in the process of implementing a strategic initiative on “Patient Relationship Management”. They have targeted two populations where they will implement a magnetic card based membership program: New parents and the users of their off campus Health Center (which will monitor both clinical and retail sales use). The goals of the program are to increase personalization thus raising the barriers to exit, improved efficiency for the member and access to valuable membership program management information. They anticipate that with the successful implementation of these two groups, the magnetic card stripe program will be extended to other groups within the system, including all women and their Senior program.

Future goals of their program also include:

- The ability to put points on the card for “healthy behaviors” where the points can be accumulated and exchanged for services (i.e. discounts on lab work or mammography)
- Rapid registration with the use of the card.
- Use of the card at membership-program designated merchants for discounts
- Tracking the downstream revenues correlated with the hospital’s Phamis IS
- Track the path of services that the members use

Lehigh Valley’s Marie Shaw is coordinating the program implementation and hopes to have the system running in early 2001.

What it takes to Get Started

The Membership Program allows use of the individual health system’s logo and brand. The Membership program provides the following basic elements, to completely set up a program:

- A comprehensive handbook guiding the set up and operation of a health-based Membership Program with a checklist and ideas from other successful programs. A sample three-year pro forma for the costs of operation for a membership program is also included.
- 5,000 magnetic stripe plastic cards that can be printed with logos, colors, etc – and additional cards can be purchased.
- A printer that attaches to a PC to print the cards. Note: One printer is capable of *an unlimited* number of card productions – so *it could be shared* with other membership programs in your system. A PC server with monitor is included.

- Specifically designed software that will program the cards, create the database and allow the printing of logos – words – names, etc. on the membership cards.
- Ten (10) transaction terminals/readers that could be placed in various locations where you would like to track services. Note: Additional readers can be purchased. It is advisable to keep one of the readers portable – to go to education workshops and conferences, health fairs, etc – so that data can also be tracked.
- Software specifically designed for the terminals to read and issue standard reports back to the Women’s Services Director’s office.

Significant support, training and installation professional time is also included to insure the easy transition to the implementation of the system.

The monthly or weekly reports could include the following. Optional reports that better meet the information needs of the women’s center could easily be programmed.

- ✓ Chronological use of the services by the client by type of service and location and date/time. (*This could be particularly valuable if you were interested in for instance, implementating a one-day diagnostic breast care center and wanted to follow current patterns of women and how quickly they sought care after an initial suspect mammography result*) Combined with a “rapid registration” system that could be easily added to the card use, this would make a highly stressful time in the life of a woman – a little less stressful.
- ✓ Services used by facility should you have multiple facilities in your system.
- ✓ Services used by location (i.e. lab, mammography, ER, Education, Etc.)
- ✓ Services used by month with location/client name/data and time
- ✓ Membership sorted by age or other criteria
- ✓ Membership sorted by specific education interests or health risk

In Summary

In summary, The Membership Program described in this article, was developed with the intent of systematically collecting and tracking the utilization of women’s health resources by members of the hospital health/system’s women’s membership program. Costs could be applied to the utilization data to follow the downstream revenues associated with any of the monitored services. This type of financial tracking fills the gap when there is the absence of a sophisticated, system-wide cost accounting system for women’s health services. The program provides two additional benefits. The women’s center director will have a database that can be combined with health education interest and risk criteria allowing a stratified targeted marketing program and the director has a continuously updated base to improve or enhance the services for women.

Additionally, wellness risk assessment forms could be distributed to the women as part of the membership program and the results of those self-completed assessment forms could be added to the data base. From this data base, the Women’s Center Director could cross correlate those women members who have high risk potential with osteoporosis, heart health, diabetes, etc.

and target market them with specific programs, services and education. The assessment forms are voluntarily completed by the women, so the information, while to be considered confidential by the health system, can still be used for the purposes of trying to improve the health status of the woman member.

Tracking services will prove to be a valuable and easy to use tool for all Women's Centers.

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