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## **Instructor Lesson Plans to accompany *Marketing Health Services***

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## Course Description

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Marketing managers in the healthcare industry face new challenges and changes in the healthcare environment at the same time that their roles are changing dramatically. Marketing management has moved from advertising and promotion of existing products and services to research, education, and organizational strategy, and marketing managers have an ever-changing and increasingly complex role in the management and direction of the healthcare organization.

*Marketing Healthcare Services* uses a hands-on, problem-solving approach to prepare students to make marketing decisions in this complex healthcare environment. Students will be exposed to historical healthcare developments, as well as general marketing principles, to help them understand the context for making decisions that will successfully position their organization for the future, no matter how the healthcare environment might change.

In this course, students will examine the evolution of the healthcare environment, including the role of marketing within a healthcare organization, basic marketing concepts, healthcare markets and consumer behavior, healthcare products and services utilization, traditional and contemporary marketing techniques, marketing management and research, and marketing planning. Upon completing this course, students will have created a marketing plan for a fictional healthcare organization (or their own organization, when possible).

## Course Outcomes

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1. Describe the role of marketing in a healthcare organization
2. Compare the role of marketing within a healthcare setting prior to and during the twenty-first century
3. Examine healthcare markets and consumer behavior
4. Analyze factors in healthcare services utilization
5. Evaluate traditional and contemporary marketing techniques and strategies
6. Align marketing strategies with an organization's overall strategic plan
7. Examine the role of social media and the international healthcare market
8. Design a marketing plan
9. Use marketing research and data to defend marketing strategies
10. Assess the possible roles and influence that marketing managers will have in the healthcare industry in the upcoming decade

## Course Project Information

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Students will use Affordable Care Act-related healthcare changes and marketing data, research strategies, and techniques to create a detailed marketing plan for

a fictional healthcare organization and its products/services. Each week, students will complete activities that directly relate to the assigned reading and textbook material. Each week's activity will contribute to their final project. Students will compile these activities into a portfolio for submission to the instructor at the end of the course. Depending on the class setting and makeup, students can work individually or in groups to complete the marketing plan. If any students currently work in a healthcare marketing organization similar to the one described in the scenario, they may use their organization instead of a fictional one to create their marketing plan, provided they do not include any of the organization's proprietary information.

## Recommended Grading Information

Assessment Strategy	Percentage
Discussion (in-class and discussion board activities)	10%
Case studies (homework)	30%
Course project	50%
Exams	10%
<b>Total</b>	<b>100%</b>

## How to Use this Lesson Plan

### Elements within this Lesson Plan:

- Course outcomes mapped to unit learning objectives
- Each unit includes:
  - Learning objectives and readings mapped to the textbook
  - Lecture outlines mapped to the PowerPoint slides
  - In-class discussion questions, activities, and/or quizzes
  - Weekly assignments and a comprehensive final project, divided into assignments across the course

**Active Learning:** The activities in this lesson plan are designed to enhance critical-thinking and problem-solving skills, as well as information retention and retrieval capacity. The activities accomplish this through active, problem-solving practice, where students should be encouraged to take risks and learn from their successes as well as their failures.

**Assessment Strategy:** There are assessments included in this lesson plan, but they may not look like assessments you've used in the past. Instead of multiple-choice exams (which are utilized, but sparingly), most assessments in this lesson plan come in the form of case study work and the semester-long course project.

Upon completion of the project, students will have created, practiced, applied, and evaluated their own and others' work, achieving mastery of the course outcomes throughout the process. This course design promotes critical thinking and problem solving over straight memorization.

**But What About Quizzes?:** Quizzes can be an important retention tool when used properly. Quizzing on many different concepts at the end of a week often leads to “cramming” and retention loss (forgetting the concepts as soon as the quiz or exam is over). The best use of a quiz is immediately after discussing a new topic—this type of quiz is ungraded, and students have a better chance at retaining the new information, whether or not they answered the quiz question correctly the first time. Quiz questions are drawn from the test banks created to accompany *Marketing Health Services, 3e*.

**Course Delivery Systems:** This lesson plan is designed to be flexible enough to be used to accompany the textbook in different types of class delivery systems, including: traditional on-ground, synchronous and asynchronous online, and blended delivery. The in-class lectures, activities, and discussions are suggestions only and are not required. The Student Exercises and Expanded Case Studies (usually assigned as individual and group homework assignments, respectively) are all from the *Instructor Manual* created to accompany *Marketing Health Services, 3e*.

**Working in an Online Classroom:** If you are working in a synchronous online environment but do not have access to online tools to separate students into pairs or small groups, there are other creative ways to use the Internet to achieve similar results. Check into free social media and communication tools, such as closed Facebook groups, Google Hangouts, and e-mail and blog-posting websites for online activities and discussions.

**Working in a Flipped Classroom:** This lesson plan can also be used as instructor support in a flipped classroom. In a flipped classroom, students learn concepts through readings, videos, and other media on their own time outside of the class, and complete homework or participate in projects or problem-solving activities in the classroom with the guidance of an instructor. To use this lesson plan in a flipped classroom setting, assign the instructor topics and supporting ancillary materials (like PowerPoint presentations and textbook readings) to be completed outside of the classroom. Homework, discussions, and other group activities can then be done in the classroom with an instructor providing support and direction.

**Highlighting the Most Difficult Concepts:** Students in this course often have the most trouble with the following concepts. If possible, give extra emphasis or practice to the following:

- The role of marketing and the fact that it is much more than just promotional activities
- The intersection and interaction among the four Ps of marketing—product, price, place, promotion—and how these differ in the healthcare market

- The concept of niche markets and how marketing to a small, select group of potential customers may achieve goals faster than mass marketing
- The difference between marketing strategies and tactics

We hope you enjoy using this lesson plan in your course. Use what works and discard what doesn't—you should feel free to only use small parts, or use the ideas as a jumping off point for your own activities. This course is yours, and this lesson plan is here to assist.

## Unit 1: The Origin and Evolution of Marketing in Healthcare

### Unit Learning Objectives

- CO 1: Describe the role of marketing in a healthcare organization
  - Summarize the benefits of marketing for healthcare organizations
- CO 2: Compare the role of marketing within a healthcare setting prior to and during the twenty-first century
  - Describe the history of marketing and its introduction into healthcare
  - Explain developments in healthcare with implications for marketing
- CO 3: Examine healthcare markets and consumer behavior
  - Describe the factors that slowed the acceptance of marketing in healthcare

### Readings

Read: *Marketing Health Services, 3e* Chapter 1

### Unit Activities

#### **In-Class Activity: Course Introduction**

##### **Introductions and Class Information:**

Introduce yourself, discuss general class information (class times, general expectations, and how the course works), and answer any student questions.

15 – 20  
min

Share and discuss the objectives and topics for the course, as well as today's class.

- Course Overview
  - Discuss all course objectives
  - Share *Part I: History and Concepts* overview of Chapters 1–3
  - Discuss Chapter 1 objectives and major course topics

Instructor  
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Chapter 1:  
Slides 1 –  
6

##### **Icebreaker:**

Have students introduce themselves (time permitting) and explain what they hope to get out of the course. Encourage them to share their majors and discuss their experience within either the marketing or the healthcare field. (Instructor should make this

icebreaker relevant to the course being delivered.)

## Content Outline: The Origin and Evolution of Marketing in Healthcare

### Unit Objectives:

- Describe the history of marketing and its introduction into healthcare

15 – 20  
min

### Topics:

- The history of marketing
  - Started as what we now call *sales*
  - Was production-oriented (producers knew what consumers wanted)
- Stages of marketing development
  - Stage 1: Product differentiation and consumerism
  - Stage 2: The shifting role of sales
  - Stage 3: The emergence of the consumer's point of view and the service economy
  - Stage 4: The rise of the electronic age (**this stage is not included in slides, but should be discussed**)
    - World Wide Web electronically empowered consumers
    - “Owners” of information shifts from organizations to consumers (through social media)
- Periods of growth for healthcare marketing
  - 1950s: Healthcare marketing considered inappropriate, so public relations and education were only avenues
  - 1960s: PR role enhanced, but consumers were not considered the target (charitable donors and physicians were), pharmaceuticals entered sales stage (stage 2)
  - 1970s: Advertising and marketing research targeted toward prospective patients
  - 1980s: Evolution from seller's market to buyer's market, where employers and consumers were targets, increased competition drove advertising
  - 1990s: Consolidation created larger organizations with more resources, development of the customer relationship through “direct-to-consumer marketing” and “consumerism” (techniques include “social” and “Internet marketing”), use of research/data rather than

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slides:  
Chapter 1:  
Slides 7 –  
9

- “image advertising” to develop marketing strategies
- 2000s – present: Full marketing realization, including market segmentation and target marketing techniques, PR, community relations, customer service, social media, reputation and relationship management, with goal of consumer engagement

### In-Class Discussion

- As members of a specific generation (boomers, Xers, millennials), how do you view your role as a consumer within the healthcare system? Give some background about how you have experienced the healthcare industry from the consumer perspective. 15 – 20 min
- How does the history of the healthcare system—and healthcare marketing within that system—affect each generation’s views and attitudes toward healthcare and healthcare marketing?
- Where do you see the future of the healthcare system moving in the next 10–20 years given the exponential change of both marketing and health technologies (i.e., communication technologies as well as new surgical and treatment technologies)?

### In-Class Activity

#### Activity: Target Market Brainstorm

20 – 30  
min

Instructions: Pair or group students so that each pair has a member of a different generation (if possible). Using the information just presented, each student pair/group will select one of three potential technologies—e-mail marketing, website marketing, or social media—and brainstorm ways to use it to effectively communicate information about a new healthcare product or service (a “widget”) to each generation.

Give students the following points to help guide their brainstorm session:

- Focus on the needs and historical nature of each consumer generation, while at the same time focusing on the technology used to reach them.
- Don’t worry about specific marketing terms or details (that will all come later).
- Use each other as sounding boards—remember that this is a brainstorming session, and there are no right or wrong

answers. The purpose of this exercise is to help you change your mindset from your own generation and get into the mindset of a different generation.

**Note:** For online courses, have students complete this activity using the available technology of your choice (e.g., through a discussion board or in a video or text chat).

### Follow-up Activity: What Didn't You Know?

At the end of the brainstorming session, each pair or small group of students will share one thing they learned from each of the generations in their pair/group.

## Content Outline: Session 2 The Origin and Evolution of Marketing in Healthcare

### Unit Objectives:

- Describe the history of marketing and its introduction into healthcare
- Explain developments in healthcare with implications for marketing
- Describe the factors that slowed the acceptance of marketing in healthcare

15 – 20  
min

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### Topics:

- What differentiates healthcare marketing from other marketing fields?
  - Nature of the healthcare industry: stands out from other markets; economic concerns combine with health and other issues; less competition; inclusion of external payers (Medicaid); not typical supply-and-demand
  - Nature of healthcare organizations **and healthcare products [not on slide]**: “multipurpose organizations,” “not-for-profit” (p. 19); products are geared toward multiple-audience markets and are sometimes irreplaceable
  - Nature of health professionals: division between administrators and clinicians; healthcare ethics
  - Nature of healthcare consumers (most significant differentiation): huge potential consumer group; the potential patient market
- Healthcare's resistance to marketing:

Chapter 1:  
Slides 10 –  
13

- No real or perceived need (changed in 1980s); thus, no knowledge of marketing from which to work
- Resistance to business aspects: negative impressions of “business”
- Concern over marketing costs: hard to predict financial result/benefit; define *cost-benefit analysis* and *impact evaluation*
- Ethical and legal constraints: subject to FTC and federal restrictions/guidelines
- **Why healthcare marketing requires a unique approach (not on slides but should be discussed)**
  - Balancing marketing for services and products without knowing possible demand; range of end users; conflict between business and professional aspects of healthcare; both healthcare and marketing *outcomes* (define term in healthcare context) are unclear
- What changed? Developments that encouraged healthcare marketing:
  - Competition within the healthcare industry
  - Hospital sector overcapacity
  - Consumer rights, power, and choice
  - Marketing: business and growth

### In-Class Discussion

- As stated in Chapter 1 of the textbook, healthcare is a powerful force: “By any measure, healthcare could be considered a dominant institution in contemporary American society. Other institutions—such as politics, the military, and the arts—receive comparatively fewer resources” (p. 21). In your opinion, how does healthcare—as an institution—compare to the other institutions described in this quotation? Explain whether or not you agree that healthcare deserves more “resources” than the “other institutions” mentioned here.
- Imagine you were in charge of the government for a day. How much funding or government support would you allocate to healthcare compared to something like federal defense funds?
- Do you think the healthcare industry should be held to different legal or ethical advertising standards than other industries? Explain, using at least one example or hypothetical situation to illustrate your response.

15 – 20  
min

**In-Class Activity****Activity: What Makes Marketing? Quiz**15 – 20  
min

Take students through a short, ungraded multiple-choice quiz to check their understanding of concepts covered in this class session. Track student responses to the quiz questions using the method of your choice (e.g., show of hands, use of clickers, or help from volunteer note takers).

To generate student interest and participation, remind them that this is an ungraded session (no penalty for wrong answers).

Correct answers are noted with an \*.

1. One of the major developments in healthcare that made marketing essential was \_\_\_\_\_.
  - a. monopolistic tendencies
  - b. the fragmentation of services
  - \*c. the introduction of competition
  - d. limits in the number of healthcare options
  
2. In what way is healthcare different from other industries?
  - a. There are buyers and sellers.
  - b. Consumers are increasingly important.
  - \*c. Customers often do not know the price of the services consumed.
  - d. Customer satisfaction is important.
  
3. Which of the following is a unique characteristic of the healthcare industry?
  - a. There are buyers and sellers.
  - b. There is heated competition.
  - \*c. Third parties often come between the seller and the buyer.
  - d. Services have different characteristics than goods do.
  
4. What characteristic unique to the healthcare industry served as a barrier to the development of marketing?
  - a. Concerns over the cost of marketing.

- b. The need to cover costs.
- c. Poorly trained executives.
- \*d. Ethical concerns over marketing, particularly advertising.

### Follow-up Activity: What Makes Marketing? Quiz Discussion

- Discuss the quiz questions and answers.
- For example, consider spending extra time on the alternate answer choices for question 2, helping students discern how each applies to the healthcare industry specifically while also applying to other industries.
- From there, if time permits, you could move into a larger comparative discussion of healthcare to other industries.

## Content Outline: Session 3 The Origin and Evolution of Marketing in Healthcare

### Unit Objectives:

- Summarize the benefits of marketing for healthcare organizations

15 – 20  
min

### Topics:

- Reasons health services should be marketed:
- To be seen in a good light among consumers:
  - build awareness
  - enhance visibility and image
  - improve market penetration
- To be seen in a good light in the industry:
  - enhance visibility and image
  - increase prestige
  - attract medical staff and employees
- To assist consumers entering this market:
  - serve as an information resource
  - influence consumer decision making
  - offset competitive marketing
  - **[not on slide but in textbook]** “demonstrate community involvement” (p. 33)

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Slide 14

## In-Class Discussion

- Suppose you are a marketing professional trying to convince the CEO of a healthcare organization to use marketing. However, you only have five minutes to speak with him or

15 – 20  
min

her, and you can only use one major reason (from those discussed in lecture) to support it. What reasoning would you use to convince this CEO to embark on healthcare marketing, and why?

- What should a healthcare marketing platform include to appeal to potential consumers and healthcare professionals alike? Explain.

## In-Class Activity

### Activity: Market Reasoning Role-Play

15 – 20  
min

Divide students into trios (or groups that are multiples of three). Assign a student from each group to represent the following elements of healthcare marketing: 1) attracting consumers; 2) benefiting the industry; 3) informing consumers. Note that these divisions complement the topic separations from the previous lecture.

- Instruct each group's members to work together to develop a rough marketing pitch for a healthcare organization that would be effective in each of these three different marketing areas.
- Students may expand on their pitches through slogans, written descriptions, or even illustrations/potential logos.

**Note:** For online courses, have students complete this activity and its follow-up using the available technology of your choice (e.g., through a discussion board or in a video or text chat).

### Follow-up Activity: Analyzing Pitches

- Reconvene the class as a whole, and encourage students to share their groups' ideas.
- Compare and contrast the marketing pitches to analyze how people generally approached each marketing area. For instance, did the groups overlap in their approaches to attracting consumers? Did they differ in how they approached informing consumers? What might be the reasons for such similarities or differences?

**Note:** For online courses, have students complete this activity and its follow-up using the available technology of your choice (e.g., through a discussion board or in a video or text chat).

## Outside of Class Work (Homework)

### Individual Work: Monitor Media Exercise

Complete the following Chapter 1 Student Exercise.

As an introduction to healthcare marketing, ask students to spend time during the week monitoring the print media (e.g., newspapers) and electronic media (e.g., radio, television) for advertising that promotes healthcare products. Then ask them to assess the ads in terms of

- image versus service marketing,
  - the product being marketed (e.g., good, service, idea, organization),
  - the medium being used (e.g., newspaper, magazine, radio, television),
  - the placement of the promotional piece (e.g., location in newspaper, time of day for radio spot, cable versus network television),
  - the apparent target audience, and
  - the ultimate objective (e.g., improve image, attract new business, increase sales volume).
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- CO 1: Describe the role of marketing in a healthcare organization
  - CO 2: Compare the role of marketing within a healthcare setting prior to and during the twenty-first century
  - CO 3: Examine healthcare markets and consumer behavior

### Group Work: Southern Baptist Hospital Case Study

In pairs or small groups, complete the Chapter 1 Case Study. Answer each question individually, then share your answers with other members of your group to refine the case study evaluation. After discussing your answers with the group, write a one- to two-paragraph analysis of the discussion and how it shaped your understanding of the case overall.

Consider the following case:

Southern Baptist Hospital (SBH) had long resisted the use of marketing, believing it was not an appropriate activity for a not-for-profit organization. By the mid-1980s, however, the erosion of its market share due to growing competition forced SBH to adopt an aggressive marketing strategy. Its primary initiative was a campaign of television advertisements aimed at reinforcing the general public's image of SBH as a high-quality institution. Because the organization was starting its marketing activities from scratch, ad production and airtime costs were expensive. The television commercials were professionally produced and received critical acclaim from the advertising community.

Following the public's repeated exposure to these advertisements, a hospital executive requested information about the impact of the advertisements. The idea to study the campaign's impact had not been considered earlier, and a

belated evaluation effort was mounted to determine the extent to which the campaign had achieved the desired effect. Much to the consternation of SBH administrators, the evaluation found that the ads had had virtually no impact on the public's already high perception of the institution, and no improvement in patient volumes, revenues, or market share could be attributed to the campaign. SBH administrators, committed to an expensive initiative, rationalized that the campaign had not aired long enough to generate the desired effect and invested even more money in the initiative.

After reviewing the preceding case, address the following points:

- To what extent did SBH research the needs of its audience prior to developing a marketing strategy?
- Does it appear that SBH had an overall marketing plan?
- Does it appear that SBH had a significant grasp of the nature of marketing?
- What are the implications of focusing marketing efforts on corporate image rather than the services the organization provides?
- What are the implications of marketing to the general public rather than targeting specific segments of the market?
- How much thought was given to measuring the effectiveness of the campaign going into the initiative?
- Was the decision to continue airing expensive but heretofore ineffective television commercials prudent?
  
- CO 1: Describe the role of marketing in a healthcare organization
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- CO 3: Examine healthcare markets and consumer behavior

### **Course Project: Create a Healthcare Organization's Marketing Plan**

An established hospital in the inner city is opening its first satellite hospital in a growing, affluent suburban area. This development represents a major change in direction for the more traditional hospital. You will utilize material in the text to support the research, planning, development, implementation, and evaluation of this project that involves a new and different approach to the market area for the sponsoring system. You will present this information in a formal marketing plan at the end of the course.

If you work for a healthcare organization similar to the one described in this project, find out if there is a formal marketing plan. If possible, gain access to the plan and review it to prepare for updating it as part of the course project.

**(Important note:** If you do work from an existing plan for an actual organization, be sensitive to using private data and information. Check with your supervisor at

the organization to make sure you understand what organizational information or data are proprietary and therefore may not be included in this project.) If your organization does not have a formal marketing plan (or you cannot get access to it), do informal research using public information:

- Is there a website?
- What types of PR and advertising are there?
- What level of interaction does it have through social media and direct mail marketing campaigns?

If you do not work for a healthcare organization, select an organization you're interested in that is similar to the one described in the project prompt, and use the questions above to find out as much as you can about the marketing activities used by that organization to prepare for creating your own marketing plan.

To begin your project, complete the following activities, taking notes on each.

1. Review the existing marketing activities of the established hospital, if possible, and consider how the new facility in the new environment might require a different approach.
2. Consider why the old hospital may not have required much marketing while the new facility is likely to require extensive marketing.
3. Determine what is likely to be different about the target audience that would require a different approach to marketing.
4. Discuss why this might be an excellent time in healthcare to consider innovative approaches to marketing.

Compile your notes and submit them along with a cover page (two to three paragraphs long) that highlights the most important elements of these activities.

Save a copy of your work, and add it to your course project portfolio. You will submit this portfolio at the end of the course.

### **Discussion Board Questions:**

- Is there a line that marketing should not cross on direct-to-consumer marketing? Research ethical and legal issues (such as laws regarding direct-to-consumer pharmaceutical marketing in the United States versus outside the United States). How does what's legal versus what's ethical drive some legal action (such as class-action pharmaceutical lawsuits)?
  - CO 1: Describe the role of marketing in a healthcare organization
  - CO 3: Examine healthcare markets and consumer behavior
- Using a social network, such as Facebook, ask your connections how they feel about a specific element of healthcare marketing, such as pharmaceutical marketing (you can couch it in terms of advertising, in

- case your network connections do not understand the totality of the marketing mix). Is there a real difference (however unscientific it may be) between generations? Explain the findings of your unscientific poll, and discuss differences and anomalies.
- CO 3: Examine healthcare markets and consumer behavior
- 
- Research the use of social media in marketing in healthcare and at least one other direct-to-consumer industry, such as the marketing of clothing, food, or similar products to consumers. Is the healthcare industry keeping up with social media communications compared to the other industry you chose? Explain what you think needs to happen for the healthcare industry to effectively utilize social media in the marketing mix.
    - CO 1: Describe the role of marketing in a healthcare organization
    - CO 2: Compare the role of marketing within a healthcare setting prior to and during the twenty-first century
    - CO 3: Examine healthcare markets and consumer behavior