

## Disconnect between CEOs and marketers should signal a wake-up call

by Anthony Cirillo - Powered by Hospital Impact



Recent healthcare surveys have revealed disconnect between healthcare marketers and CEOs. An annual survey by HealthLeaders revealed that 48 percent of marketers believe their CEO values them; 37 percent say they are highly valued. Then flip to the leadership survey where just 27 percent of CEOs have marketing at the executive table. I would equate value with a seat at the table, so it does not seem that CEOs place high value on marketing.

Here is an even more telling statistic. CEOs were asked how they would fuel financial growth in their organizations. Third on the list cited by 45 percent of CEOs was “launch a strategic marketing campaign.” Ah, the marketing silver bullet. Launch a campaign and everything will be better.

So let me see if I have this right. Only 27 percent of CEOs value their marketing enough to have it around the C-suite table, yet 45 percent of CEOs are looking to marketing as their financial savior.

Here are a few more disturbing stats. While 45 percent of CEOs reported their job satisfaction as “very satisfied” during the last survey, only 37 percent put that label on their satisfaction this time. And 31 percent of CEOs say they will be retired or not in their current position in five years. Within 10 years, 64 percent of CEOs say they will have moved on. In addition, CEOs believe that relative to the marketplace their institution is doing great while the industry is not. And many have the mindset that when it comes to healthcare reform, “this too will pass.”

So my cynical interpretation reads--there is almost a third of CEOs who have left the building (at least in their minds) who think marketing is the silver bullet but don't necessarily value marketing in the C-Suite. I mean, where do I begin?

Let's start with leadership. It is no secret that CEO turnover is high in any given year. I think ACHE pegged it at 17 percent. Of course, it is a board of directors that often time initiates these actions. So is CEO leadership or board leadership to blame? Are boards allowing CEOs enough time to get the job done? Are board members really educated about the issues?

I think in terms of marketing's value, CEOs only know what they know. If they have been exposed to sophisticated marketing in the past, maybe outside of healthcare, then they most likely realize the value. But if they view marketing as the place to make things pretty, then their exposure has been limited. Or maybe they are simply too overwhelmed with running a hospital to think about marketing one. Perhaps they need some education about what strategic marketing is and what it can accomplish.

I will say that whatever the case, marketing needs to change in response to health reform. It is no longer fee for service and driving people into beds. Now it is about populating your primary care practices with patients, with positioning your ACO as the ACO of choice for those considering other options. It is much more focused on the coordination of care and the wellness aspect of healthcare. And it most certainly will be about patient experience and its relationship to word-of-mouth marketing and value-based purchasing.

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Healthcare marketers are not used to that mindset or how to react to it. In fact, one of the great enablers of word-of-mouth promotion--social media--according to survey results, is a bit of a mystery to most healthcare marketers.

So marketers are in a bind. They need to put patients into beds today yet have to somehow think about tomorrow. We are counseling clients that starting right now you need to market to both realities. And that begins to shift both the messaging and the emphasis on primary care as the hub and spoke. Perhaps marketers that can demonstrate and prepare for marketing under reform will be the ones that the C-suite actually starts to recognize and bring to the table.

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