"When I grow up, I want to work with the affluent."
Helping older Americans thrive in their own homes
ElderPairs Concept

• Au Pairs for the Elderly
• Nursing Students
• Remain at home
• “Get the care you need!”
• Unlimited Market
• Only competitor . . . Assisted Living
Helping older Americans thrive in their own homes
ElderPairs “Edsel”

- Overlooked other competitors
- Underestimated challenge of immigration
- Did not listen to the customer’s needs
- Became infatuated with a “bottomless market”
- Did not anticipate the unthinkable (9/11/2001)
The Missing Research . . .

Marketing Myopia
Marketing Myopia

Published in 1960 in the Harvard Business Review
by Theodore (Ted) Levitt
Marketing Myopia

Every major industry was once a growth industry. But some that are now riding a wave of growth enthusiasm are very much in the shadow of decline . . .
## Examples of Marketing Myopia

- Hollywood
- Railroads
- Dry Cleaning
- Electric Utilities
- Grocery Stores
- Boston Millionaire
- Television
- Alternatives
- Synthetics
- Deregulation
- Supermarkets/7-11
- Passing of the Electric Streetcar
The Cycles of Self-Deceit

- The belief that growth is assured by an expanding and more affluent population
- The belief that there is no competitive substitute for the industry’s major product (indispensability)
- Too much faith in the advantages of rapidly declining costs as output rises (economies of scale)
- Preoccupation with the scientific and quantifiable aspects of the product
A Myopic Case Study – Crude Oil

- Started as a patent medicine but fad died
- Used in kerosene lamps extinguished by Edison
- Kerosene shifted to space heaters but coal and central heat replaced them
- Saved by the internal combustion engine
- Who will replace this?
Product Provincialism

A product **fails to adapt** to the constantly changing patterns of consumer needs and tastes. It is so firmly set on its own specific product that it does not see how it is being made obsolete.

Successful concentration on their product convinces management of the soundness of what they have been doing and they **fail to see** the gathering storm clouds.
Examples of Marketing Myopia

- Hollywood
- Railroads
- Dry Cleaning
- Electric Utilities
- Grocery Stores
- Boston Millionaire

- Disease Management

- Television
- Alternatives
- Synthetics
- Deregulation
- Supermarkets/7-11
- Electric Streetcar Passing
A Myopic Case Study – Disease Management

Quotes from Recent Analyses

- Americans are increasingly being treated for diseases and conditions which are preventable
- The problems are only getting worse – by 2025, 49% of all Americans will have at least one preventable disease
- The treatment of preventable disease accounts for over 75% of the money Americans spend on health care
- Preventable diseases are primary drivers of health costs
- 70% of all deaths result from preventable diseases
Levitt on Solutions

- Give serious thought to the question of what business you are in
- Think of yourself as “buying customers” by doing the things that meet what they want
- View the enterprise as a customer-creating and customer satisfying organism
- Management must ensure customer-creating value satisfactions
What’s the new communication need?

- Consumers face more choices, increasing decision complexity
- Previous information strategies have not worked so well
- We need a new approach grounded in decision science, advertising, and social marketing
- If we get it right, individual consumers and the system as a whole will be better off
Declining levels of consumer trust

- Only tobacco companies rate lower than managed care!
- Most consumers still trust their own nurses and doctors
- Racial and ethnic minorities have lowest trust levels

Figure 1. Confidence in Health Care Institutions, 1997 to 2000

Percentage of consumers who believe that institution does a good job in serving consumers.

<table>
<thead>
<tr>
<th>Institution</th>
<th>1997</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmaceutical</td>
<td>79%</td>
<td>59%</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>55%</td>
<td>39%</td>
</tr>
<tr>
<td>Managed Care</td>
<td>51%</td>
<td>29%</td>
</tr>
</tbody>
</table>
Lessons from Decision research, Advertising and Social marketing

• More information is not always better!
• People simplify and adapt
• Preferences evolve during decision making
• Frameworks can also help guide decisions
What can we learn from Advertising

• Ads appeal to emotions
• Branding builds emotional connections
• Sloan-Kettering radio ad:

“When the diagnosis is cancer, think of Sloan Kettering first.”
One size does not fit all!

Table 1. Nine PATH Segments of Health Care Consumers

<table>
<thead>
<tr>
<th>PATH Group</th>
<th>Distribution of U.S. Population</th>
<th>Key Profile Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinic Cynic</td>
<td>7%</td>
<td>Generally distrustful of the medical profession</td>
</tr>
<tr>
<td>Avoider</td>
<td>10%</td>
<td>Refrains from using health care services until very sick</td>
</tr>
<tr>
<td>Generic</td>
<td>9%</td>
<td>Highly price conscious and concerned with just the basics in health care services</td>
</tr>
<tr>
<td>Family Centered</td>
<td>9%</td>
<td>Puts family health above all other matters</td>
</tr>
<tr>
<td>Traditionalists</td>
<td>10%</td>
<td>Willing to pay more for quality and tend to use the same providers</td>
</tr>
<tr>
<td>Loyalist</td>
<td>12%</td>
<td>Moderate in health care opinions and behaviors</td>
</tr>
<tr>
<td>Ready User</td>
<td>12%</td>
<td>Actively seeks and uses health care services of all kinds</td>
</tr>
<tr>
<td>Independently Healthy</td>
<td>12%</td>
<td>Very actively involved in their own health</td>
</tr>
<tr>
<td>Naturalist</td>
<td>9%</td>
<td>Propensity to use alternative health care methods</td>
</tr>
</tbody>
</table>
Social marketing: change behavior by changing perceptions
Tactics for supporting consumer health care decisions

- Make information relevant to decisions
- Help consumers simplify
- Focus on the most receptive audience segments
- Work through trusted intermediaries
- Build a “trusted” brand identity
- Integrate multiple information inputs into a single, simplified tool
- Promote benefits not features
- Help consumers simplify
Some Examples: Trusted Brand Identity

- Zebra guide
Some Examples: Trusted Advisors

The Health Assistance Partnership

HAP addresses the needs of the nation's consumer health assistance programs that help people with health insurance problems. The Partnership provides assistance and resources in the areas of:

- Medicaid
  - (including the Medicaid and SCHIP Eligibility Manual)
- Medicare
  - (including the Medicare Modernization Act)
- Private Insurance
- The Uninsured

SHIP Alert: Easy way to Document Referrals from 1-800-MEDICARE

Weekly Email Alert: Learn more about HAP's recent activities and current health policy news.

Find links and phone numbers for the State Health Insurance Programs (SHIPS) in each of the 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. The SHIPS provide free, personalized information and counseling to Medicare beneficiaries. If you have a question about your specific needs regarding Medicare Prescription Drug Coverage, please contact your state SHIP program.
Some Examples: Multiple Input Integration

Health Plan Chooser

Health Plan: Summary Results | Full Results Report
You are finished rating the plans. The plans are listed by estimated Total Cost to you. Click on "Sort by" to rank plans by other features.

Be sure you have considered all the ratings that are important to you when choosing a plan. Read the Plan Comparison Chart included in your Open Enrollment Guide. Remember, aside from the premium costs, this site uses estimated costs and summary information - get the details before you decide!

Tell us what you think about the Health Plan Chooser - Take a short survey
✔ Tips: Use the Full Results Report to view all results together or to reconsider any of your ratings.

Summary Results - See full report including all plan comparisons

<table>
<thead>
<tr>
<th>Health Plan</th>
<th>Total Cost</th>
<th>Your Premium Cost</th>
<th>Cost at Time of Service</th>
<th>Doctors in Plan</th>
<th>Quality Rating</th>
<th>Features</th>
<th>Covered Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser Permanente</td>
<td>Total $2,292.56</td>
<td>$2,227.56</td>
<td>$65.00</td>
<td>Some of my doctors</td>
<td>Good Fit</td>
<td>Good Fit</td>
<td>Good Fit</td>
</tr>
<tr>
<td>Blue Shield Access+ HMO</td>
<td>Total $2,525.36</td>
<td>$2,460.36</td>
<td>$65.00</td>
<td>All my doctors</td>
<td>So-so Fit</td>
<td>So-so Fit</td>
<td>Good Fit</td>
</tr>
<tr>
<td>PERS Choice</td>
<td>Total $2,892.96</td>
<td>$2,592.96</td>
<td>$300.00</td>
<td>Some of my doctors</td>
<td>Poor Fit</td>
<td>So-so Fit</td>
<td>So-so Fit</td>
</tr>
<tr>
<td>PERS Care</td>
<td>Total $5,565.46</td>
<td>$5,565.48</td>
<td>$300.00</td>
<td>Some of my doctors</td>
<td>So-so Fit</td>
<td>Poor Fit</td>
<td>So-so Fit</td>
</tr>
</tbody>
</table>
Some Examples: “Packaging”

Shop to your heart’s content.

Get the facts before choosing a hospital for heart surgery. Like a nutrition label does for food, Healthcare Facts® delivers unbiased information about Minnesota hospitals. You can get a flavor for a hospital’s safety programs and top practice areas, compare key procedures performed, even find the number of patients per registered nurse. Get the care you deserve and feel better about your health care decisions. Absolutely free, member or not. Get the facts at healthcarefacts.org

Healthcare Facts®

Questions? Call Customer Service (members), or 877-HC FACTS (non-members)

Abbott Northwestern Hospital

Address: 800 26th St, Minneapolis, MN
Ownership: Private    Teaching Status: Teaching    % Charity Care: 0.7

Price – $$$ (out of $$$$$)

| # of General Care Beds – 627 |

Care and Procedures

- Trauma level: Level 4
- Births, prior year: 4,705
- Heart attacks treated, prior year: 1,080
- Cancer cases treated, prior year: 1,215
- Acute strokes treated, prior year: 408
- Transplants performed, prior year: 58
- Complimentary and Alternative Medicine programs: Yes
- Pain management program(s) (for pain that is chronic after surgery, from cancer, or at end of life): Yes

Safety and Quality

<table>
<thead>
<tr>
<th>Key Procedures</th>
<th>Standard: Min./year</th>
<th>#/yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coronary (heart) artery bypass</td>
<td>400</td>
<td>511</td>
</tr>
<tr>
<td>Percutaneous coronary (heart) intervention</td>
<td>400</td>
<td>2,181</td>
</tr>
<tr>
<td>High risk deliveries</td>
<td>&gt;15</td>
<td>38</td>
</tr>
<tr>
<td>Abdominal aortic aneurysm repair</td>
<td>50</td>
<td>2</td>
</tr>
</tbody>
</table>

Other Information

- 24-hour hospital staff present: Yes
- 24-hour Doctor of Pharmacy (PharmD) present: Yes
- Staff intensivists in Intensive Care Units: Limited
- # of hospital patients per RN: Data not submitted
- Rate of patient falls with injury: 0.8
- Adverse event information available: Limited
- Perioperative infection rates available: Limited
Some Examples: Benefits Not Features
Recap

• Consumers face more choices, increasing decision complexity

• We need a new approach grounded in decision science, advertising, and social marketing

• If we get it right, individual consumers and the system as a whole will be better off

• If we don’t get it right, consumerism in health care will likely flounder and the most vulnerable groups will be hurt the most
NJ Mayors Wellness Campaign

New Jersey Health Care Quality Institute (NJHCQI)

and

Alan M. Voorhees Transportation Center (VTC)
The fastest growing public health concern for New Jersey is obesity and its causes.

The New Jersey State Development and Redevelopment Plan, 2001
Childhood Obesity

Institute of Medicine Recommendations

State and Local Governments

Expand and promote opportunities for physical activity in the community through changes to ordinances, capital improvement programs, and other planning practices.

Work with communities to support partnerships and networks that expand the availability of and access to healthful foods.

Community and Non-Profit Organizations

Provide opportunities for healthful eating and physical activity in existing and new community programs, particularly for high-risk populations.

http://www.iom.edu/report.as
The CDC supports:

“Retrofitting existing communities and shaping emerging communities in a manner that enables, and even promotes, physical activity”

- Engelke and Frank, 2000
Shift the Focus to the Local Level
Mayors Wellness
Champaign Mission:

The Mayors Wellness Campaign offers mayors and key community leaders tools and evidence-based practices to positively impact citizen health and well-being.

Through public and private partnerships, this campaign will provide structure and resources for community initiatives to increase activity and healthy nutrition.

The Mayors Wellness Campaign will work to decrease the incidence of obesity and overweight and improve health in New Jersey for residents of all ages.
Objective: Provide the Mayors of New Jersey with an increasing number of evidence-based tools, implementation plans, synergistic contacts and communication materials to engage citizens in programs that increase activity and reduce obesity.
Mayor’s Wellness Campaign
Put your community in motion.
Mayors Wellness Campaign Partners

• New Jersey Health Care Quality Institute (NJHCQI)
• Voorhees Transportation Center (VTC)
• NJDOT
• New Jersey League of Municipalities
The Partnership to Fight Chronic Disease Stands by the Evidence: Wellness Works

Briefing Marks One Year Anniversary of Launch; Release of New Research Highlighting the Burden of Chronic Illness

(WASHINGTON) - In celebrating its first anniversary today, the Partnership to Fight Chronic Disease reiterated that prevention is the key to making progress in health care reform. In particular, the PFCD stressed that primary prevention and wellness activities related to lifestyle changes can save money and lives, and that the state of the health care system and the economy means that the U.S. cannot afford to ignore this issue any longer.

"When we talk about health care reform in this country and how to make health care more affordable, we must focus on the number one driver of costs â€“ preventable and poorly managed chronic diseases," said PFCD Executive Director, Ken Thorpe, Ph.D., Chair of the Department of Health Policy and Management at the Rollins School of Public Health at Emory University.

"The vast majority of spending in our system is rooted in treating these diseases, many of which are caused by poor health behaviors," he said. "Until we put in place public and private policies that do a better job helping Americans get and stay healthy, we will continue to
Partnership to Fight Chronic Disease (PFCD)

A broad group of patients, providers, community organizations, business and labor groups, and health policy experts joined together to form a national coalition committed to raising awareness of the rising rates of preventable and treatable chronic diseases.
The PFCD Mission

• Educate the public about chronic disease and potential solutions for individuals and communities

• Mobilize Americans to call for change in how governments, employers, and health institutions approach chronic disease

• Challenge policymakers on the health policy changes that are necessary to effectively fight chronic disease
Policy Agenda

- Offer a united voice to inject patient-focused policies and practices into the national dialogue on health care issues
- Advance sustainable “Next Generation” chronic disease prevention, early intervention, and management models
- Promote healthy lifestyles and disease prevention and management in every community
- Encourage advances in clinical practice/research that improve quality of care for those with chronic diseases
- Accelerate quality and availability of health information technology (HIT) throughout the health care system
- Reduce disparities by focusing on barriers to good health
The PFCD Advisory Board

Ken Thorpe
PFCD Executive Director and Professor and Chair at the Rollins School of Public Health at Emory University

Mark McClellan
Director of the Engelberg Center for Health Care Reform at The Brookings Institution and former Administrator of the Centers for Medicare and Medicaid Services

Richard H. Carmona, M.D, M.P.H.
17th US Surgeon General (2002-2006) and President of Canyon Ranch Institute, serves as the national Chairperson of the Partnership
**National Partners to Fight Chronic Disease**

- Advanced Medical Technology Association (AdvaMed)
- Aetna, Inc.
- Alliance for Aging Research
- Alliance for Health Education and Development (AHEAD)
- Alliance for Patient Access
- Alzheimer's Foundation of America
- American Academy of Family Physicians
- American Academy of Nurse Practitioners
- American Academy of Nursing
- American Academy of Physician Assistants
- American Association of Colleges of Nursing
- American Association of Colleges of Pharmacy
- American Association of Diabetes Educators
- American Association of Homes and Services for the Aging
- American Cancer Society Cancer Action Network
- American College of Emergency Physicians
- American College of Nurse Practitioners
- American College of Preventive Medicine
- American Dental Education Association
- American Dietetic Association
- American Hospital Association
- American Lung Association
- American Medical Women’s Association
- American Osteopathic Association
- American Pharmacists Association Foundation
- American Society of Health-System Pharmacists
- America’s Agenda: Health Care for All
- The Leapfrog Group
- Lupus Foundation of America
- Marshfield Clinic
- Medical Fitness Association
- Men's Health Network
- Mental Health America
- Milken Institute
- Mississippi Institute for Improvement of Geographic Minority Health
- NAACP
- National Alliance of State Pharmacy Associations
- National Alliance on Mental Illness
- National Asian Pacific Center on Aging
- National Association of Chronic Disease Directors
- National Association of Community Health Centers
- National Association of Manufacturers
- National Association of Public Hospitals and Health Systems
- National Association of School Nurses
- National Association of VA Physicians and Dentists
- National Black Nurses Association
- National Business Coalition on Health
- National Caucus and Center on Black Aged
- National Coalition for Promoting Physical Activity
- National Community Pharmacists Association
- National Council for Community Behavioral Healthcare
- National Family Caregivers Association
- National Health Council
Additional Considerations
120
CREATING VERY OLD PEOPLE
This Feels Different.
This Feels Different.
Ten Years of Advocacy

Quality powered.

NEW JERSEY HEALTHCARE QUALITY INSTITUTE

WWW.NJHCQI.ORG