



how millennials
are changing the

WHAT WHEN & WHERE of healthcare

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Regardless of your age, you are a Millennial—at least in one way. Millennials are America’s largest generation with the greatest spending power, making them the most-coveted consumer demographic and one that is driving change. Their wants, needs, and demands are shaping the consumer experience, and that poses a unique challenge for healthcare providers. Millennials’ behaviors and expectations do not sync with those of the generations before them, but those behaviors and expectations are now setting the standard for all of us. Executing a strategy that speaks to them will broadly speak to all consumers—and doing so is no longer optional.

Millennials, defined here as those born between 1982 and 1997, recently eclipsed Baby Boomers as the country’s largest generation. Their population hit 73 million, while deaths among Boomers dropped that generation to 72 million. And Millennials’ ranks will only continue to rise thanks to immigration, with their population projected to top out at 76.2 million in 2036.

They are a force, and it is time to let go of the stereotypes of Millennials as lazy, disloyal, and entitled and see them as what they are: the principal consumer generation, and one with serious sway over the economy. With their oldest members now 38 and their youngest 22, Millennials “hold great potential as the new wave of parents.” Their level of college education is unmatched, and not only are they the largest generation in the U.S. labor force, more of them (40% of Millennial households) are part of the professional/managerial workforce, with most bringing home more than \$50,000 per year. Their financial power will truly come into focus in 2020, when their projected spending hits \$1.4 trillion annually—making up 30% of total retail sales .

But they are also worse off financially, which has them more focused on pricing. The average Millennial’s net worth is less than \$8,000, which is down 34% since 1996. They are worse off than the generations before them, and healthcare is more expensive for them (and everyone),

with those costs up 21% over the past decade. Insurance premiums and deductibles are rising, and employers are shifting more of the costs to employees. One study found employees on average contributed 18% of the cost of an annual premium for employee-sponsored single coverage in 2017, with the average premium clocking in at more than \$6,000; in 1999, it was 14% of a premium that averaged just over \$2,000.

When consumers begin to spend more, they get more focused on value and costs. When

it comes to healthcare, Millennials are questioning the what, where, and when: what care to seek, and where and when to get it. Healthcare providers need to preempt these questions, not reactively respond to the chaos of the void.



**THE AVERAGE MILLENNIAL'S
NET WORTH IS LESS THAN
\$8,000**

Millennial Perceptions and Priorities

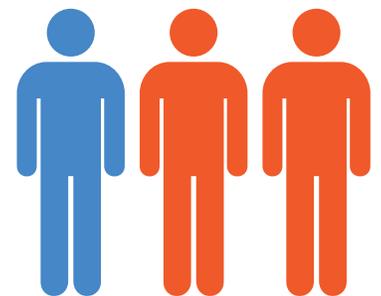
Are Millennials as healthy as they think they are? 83% of Millennials consider themselves to be in good or excellent health. But the oldest Millennials (then 34-36) were found in a 2017 study to have higher prevalence rates for eight of the top 10 conditions (including type II diabetes, high cholesterol, and depression) than Generation X members did when they were in the same age range.

That means preventive healthcare and routine visits are key, and that resonates in some fashion with Millennials. More than half of them (55%) say their most important health-related priority right now is “staying healthy and covering basic preventive healthcare expenses.” But as a group, staying healthy does not necessarily mean maintaining a schedule of annual physicals.

Nearly one out of three Millennials have not visited a doctor’s office in the last 12 months, sharply outpacing Gen X (roughly one in four) and Boomers (roughly one in five). And more of them—32%—do not have a primary care provider. That means many of them are lacking continuous and familiar care that could help treat or mitigate potentially expensive and harmful health conditions.

But they are not ignoring their health altogether. They are just sitting in different waiting rooms. In a 12-month period, Millennials are more likely than older generations to have one or more mental health visits (20% vs. 11% of Gen X and 7% of Boomers), chiropractor/massage therapy visits (19% vs. 12% of Gen X and 9% of Boomers), and acupuncture visits (13% vs. 3% of Gen X and 2% of Boomers).

They also consider pills a plan B. Many Millennials will choose to adjust their lifestyle before resorting to medication, surgery, or recurring physician visits for a condition. In fact, nearly 65% of them reported engaging in some type of high caloric activity in 2018, ahead of Gen X (56%) and Boomers (41%). Across all generations, a 2018 study found Americans spend an average of \$155 a month on health and fitness costs like gym memberships, supplements, and health-food plans. When it comes to where they get their health information, 43% of Millennials say they go online to research health topics and learn about their insurance and the healthcare system; 36% of Gen X and 33% of Boomers say the same.



1 in 3 Millennials have not visited a Doctor's office in the last 12 months

The need for thoughtful messaging to Millennials presents a marketing opportunity: not just health information but wellness and mindfulness initiatives need to also factor into overall messaging. Consider offering an email newsletter packed with wellness and lifestyle advice. Walk-in clinics are a convenient way to deal with a sore throat or urinary tract infection, but they treat the illness, not the patient. Emphasize on tracking factors like preventative care by texting proactive reminders about pap smears or flu shots, for instance. Need to provide a referral? Give more than a name—explain that particular referral doctor. Millennials want to understand their own health; establish the subject matter expert that will lead them there. In that educational vein, highlight things you can offer that urgent care cannot—such as running a patient’s bloodwork for insights into their B vitamin or thyroid levels, their liver health, and whether they need to take preventative steps now to ward off future osteoporosis. It is a move that will speak to Millennials’ healthcare interests and go far in establishing a doctor-patient relationship.

The Patient as a Consumer

With their affinity for other avenues of care, it is perhaps unsurprising that Millennials hold traditional care models, like doctor's offices and hospitals, in low estimation and think highly of non-traditional healthcare models, like urgent care, telemedicine, and retail clinics. Younger generations report being "dissatisfied" and "very dissatisfied" with elements of traditional care but "very satisfied" and "extremely satisfied" with the transparency, ease, efficiency, and cost of obtaining care through newer models. And that dissatisfaction is not relenting. A 2019 study found the percentage of Millennials who are "not at all" or "not very satisfied" with the quality of the healthcare system further sank from 2016 figures to 21% (versus 18% of Gen X and 13% of Boomers).

This reflects one of the major demands that healthcare providers need to understand: millennials are not just patients, they are consumers. Previous generations have swallowed the often slow, inconvenient, and opaque nature of the healthcare experience as the price paid for quality care, chalking it up to be "just the way the system works." Millennials do not believe the system works at all. Waiting weeks or months for an appointment, repeatedly filling out the same personal information on sheet after sheet of paper, sitting in the waiting room as a doctor runs 45 minutes behind, and having no visibility into what they are being charged for their visit were once accepted as the status quo. Millennials believe the patient experience is poor, inefficient and disorganized.

They live in an on-demand age: they can instantly start watching the movie they want to see on Netflix, listen to a band's new album on Spotify, and have an Uber pick them up at any location within minutes. Healthcare providers who recognize and respect that mindset have the opportunity to shape a first impression that can be a superior one in the eyes of Millennials.

Text a reminder about an upcoming appointment. Email access to a patient portal where Millennials can complete paperwork in advance, or provide them with a tablet to do some at the office. Stop asking them to arrive 15 minutes before their scheduled appointment time when appointments are invariably running behind. Make the check-in process a simple digital one, and make it clear to them how many patients are ahead of them waiting to be seen. Eliminating waits may not be possible, but communicating about those waits is—by, for instance, instituting a messaging system that can text patients when their doctor is running more than 30 minutes behind. Doing so will meet a basic Millennial expectation and have fringe benefits, such as reducing the effort and errors introduced by having to enter handwritten patient info into a system.



On-Demand Healthcare

Speaking of waiting, Millennials are not willing to wait months for a wellness appointment, and they find long waits once at the office for a doctor who is running behind unacceptable. But that is the reality, and a worsening one: a 2017 survey found new patients waited an average of 24 days for an appointment in 15 large metro areas; in 2014 it was 18.5 days.

That desire for immediate attention is fueling Millennials' use of urgent care, telemedicine, and drugstore clinics. And it is not just Millennials—61% of patients would change providers if it enabled them to more rapidly get an appointment. Millennial perceptions of their own job responsibilities might be a factor here, too. In 2017, 51% of workers of all generations reported not taking all of their allotted vacation days; a 2016 study on “work martyrs”—those who shy away from taking vacations because they want to be perceived as highly dedicated and indispensable—found the group leans Millennial, with 43% of work martyrs being Millennials compared to 29% of all respondents.

That perspective can make Millennials less willing to take time off during work for a doctor's appointment (especially when there is the perception that there will be a lot of time spent just waiting), meaning the availability of appointments and care options outside of 9-5 office visits are vital for providers looking to stop a patient exodus to outside urgent care and telemedicine options.

Transparent Pricing

But there is something else driving the use of such services: transparent pricing. Urgent care clinics, for instance, often verbally state the cost of the appointment upon sign-in or list the prices of various services. Traditional care models are typically opaque about pricing, which the patient often only learns about after the fact. As patients look to better understand their medical finances, introducing transparent pricing is key: 47% of consumers say they would leave their provider in favor of one who makes clear how much their care will cost at the time of their appointment. By extension, emphasizing financial wins provided by insurance can be a real benefit. Highlight that a patient's insurance plan offers a no-copay wellness visit at participating offices, for instance, or has a \$25 primary care co-pay versus a \$75 co-pay for urgent care.

The goal is to clearly communicate the benefit of having a primary care provider among a generation that is not convinced that is the case. Healthcare providers must use messaging aimed at resetting that mindset. One such opportunity: antibiotics. The Centers for Disease Control and Prevention in 2018 found that 46% of patients who went to urgent care with an acute respiratory infection (such as a cold, the flu, or asthma) were prescribed antibiotics, though they are not recommended or effective treatment courses in these cases, are unnecessary spending, and contribute to the problem of antibiotic resistance; the figure was just 17% for patients who went to a doctor's office.



47%

OF CONSUMERS SAY THEY WOULD LEAVE THEIR PROVIDER IN FAVOR OF ONE WHO IS MORE TRANSPARENT ABOUT THE COST OF THEIR VISIT.



Online Reviews and the Patient Experience

Millennials' impression of physicians is not just coming from healthcare providers. 71% of Boomers reported getting their health information from doctors and nurses. For Millennials, that figure was 46%, and outpaced by friends and family (47%) and Google searches (58%).

Their Googling does not start and stop with symptoms. In a world teaming with Amazon and Yelp reviews and star ratings, consulting online recommendations has become the norm. Roughly half of Millennials say they consult reviews when looking for a healthcare provider, with 97% of Millennials saying they find the reviews "somewhat" or "very" reliable. Where are they reading these reviews? The healthcare provider's own site, Google, WebMD, Healthgrades, and Facebook.

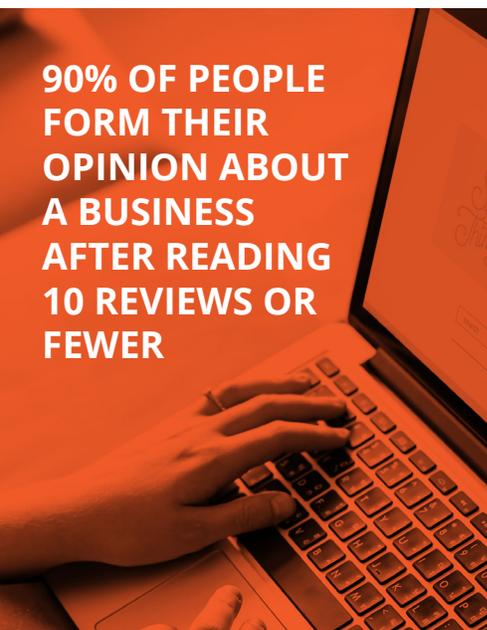
That means online reputation management is key—as is understanding what goes into reviews and how patients use them. A 2016 study found that 90% of people who sit down to read reviews form their opinion about a business after reading 10 reviews or fewer; the three most important factors they cite in coming to that decision are star rating, the general sentiment of the reviews, and how recent they are—with 73% of them saying they take into account reviews left in the past three months. This means making an effort to gather positive reviews needs to be an ongoing one.

Make sure everyone is on board. Staff need to understand the importance of reviews; encourage them to talk them up and internally highlight staffers who were mentioned in positive reviews. Rather than let a patient head home having quietly had a negative experience, doctors should get in the habit of briefly discussing how the entire appointment went, and whether the patient had any issues. Giving them a chance to voice a negative experience can help prevent it from ending up online. Clearly link to reviews on the facility's website; feature good ones on different social media platforms. And make them a conversation—reply to positive reviews with a thank you; respond to negative ones with a note on how to put that feedback to use.

Review a patient's entire journey—from the ease of making an appointment and accessing parking to the billing experience. A Mayo Clinic study of negative reviews published in 2014 found that negative reviews might not be a reflection of a doctor's skill, but could be tied to an unsatisfying experience

A 2017 survey found 83% of Millennials would opt to text a company over calling customer service

and 60% like to be able to engage in two-way texting with business.



**90% OF PEOPLE
FORM THEIR
OPINION ABOUT
A BUSINESS
AFTER READING
10 REVIEWS OR
FEWER**

related to office staff, wait time, nurses, the space itself, parking, and the ease of getting an appointment. Think like a consumer: are there elements to introduce along the way to make the experience a more pleasant or surprising one? Things like clearly communicating the wait time upon sign-in, offering good coffee, and proactively sharing the guest wi-fi password can serve as subtle stand-out moments in the patient's mind.

How to push things even further? A physician practice that is dialed into Millennial expectations might take an even more innovative approach by appointing a nurse to serve as a concierge for the practice. This medical professional would act as the single point of contact for patients who have questions about referrals, deductibles, or symptoms they are experiencing. The concierge would also reach out to all new patients prior to their initial appointment to welcome them to the practice and ask if there are any health topics or concerns that they want to be sure to discuss or learn more about during their appointment.

Millennials Going Digital

Welcoming Millennials by email or text might be superior to a phone call. A 2017 survey found 83% of Millennials would opt to text a company over calling customer service, and 60% like to be able to engage in two-way texting with businesses.

With all of this talk about Millennials wanting a highly digital experience, healthcare providers who are not yet offering one, need to know this: you are not behind the times. The early adoption window has not closed yet. The industry has lagged behind others in terms of ramping up its digital prowess—a hefty 79% of health services and pharma respondents surveyed by PwC would not label digital disruption as a “serious threat” to their business. However, it is, and those who can immediately make this a priority that will find themselves as an early adopter—and those who are early adopters will create loyalty among Millennials.

PwC found that only one in five healthcare providers define “digital” in (what PwC views as being) a truly 2019 way: “Digital goes beyond technology alone to reflect a mindset that embraces constant innovation, flat decision-making, and the integration of technology into all phases of the business.” In fact, even more respondents—22%—see “digital” as a synonym for “IT.” That is a narrow view that could beget a narrow transformation.

It is not just Millennials who are looking for a digital experience: the number of patients across all generations who are heavily prioritizing connectivity is on the rise. In 2016, 57% of patients were more likely to choose a provider who could email or text follow-up care reminders; in 2019, it was 70%. A desire to be able to communicate with one's doctor via secure email also rose (53% to 69%), as did favoring the ability to make and adjust appointments online (58%, 68%).

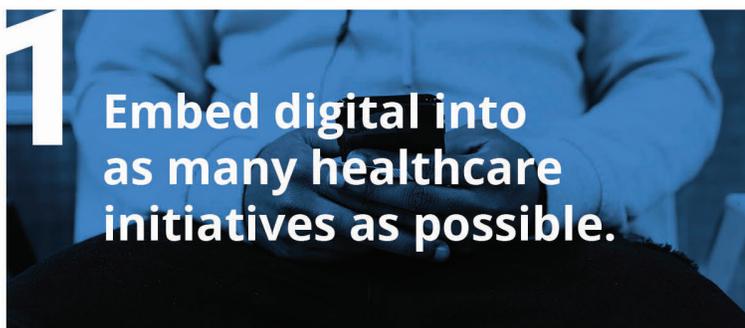
Offering a secure patient portal can check the box on some of those desires, but healthcare providers need to hold up their end of the relationship when using it. Millennials expect lab results to be paired with explanations and want prompt, same-day responses to questions.

Moving Forward

Any healthcare provider who wants to succeed needs to understand how Millennials are redefining what patients expect from their healthcare experience. More importantly, they need to see those changes as opportunities, not obstacles—and continue to innovate from there.

Millennial expectations are shaping patient expectations across the board and making it clear that the pain points of healthcare that have long been accepted as the unchangeable nature of the business must be addressed—or they will find care elsewhere.

It is not too late to make those changes, and those who do will find increased patient satisfaction and loyalty among all generations. But the time to act is now. Here are seven major ways to do so:



Ackermann Marketing and PR is a 36-year-old, full-service marketing and communications firm headquartered in Knoxville, TN. With long-term strategic thinking as its specialty, Ackermann helps businesses grow through the planning and execution of public relations, digital strategy, product marketing, brand identity, advertising, crisis communication and media training.



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