SMITH + JONES

The 2019 Healthcare Marketing Trends Stat Pack
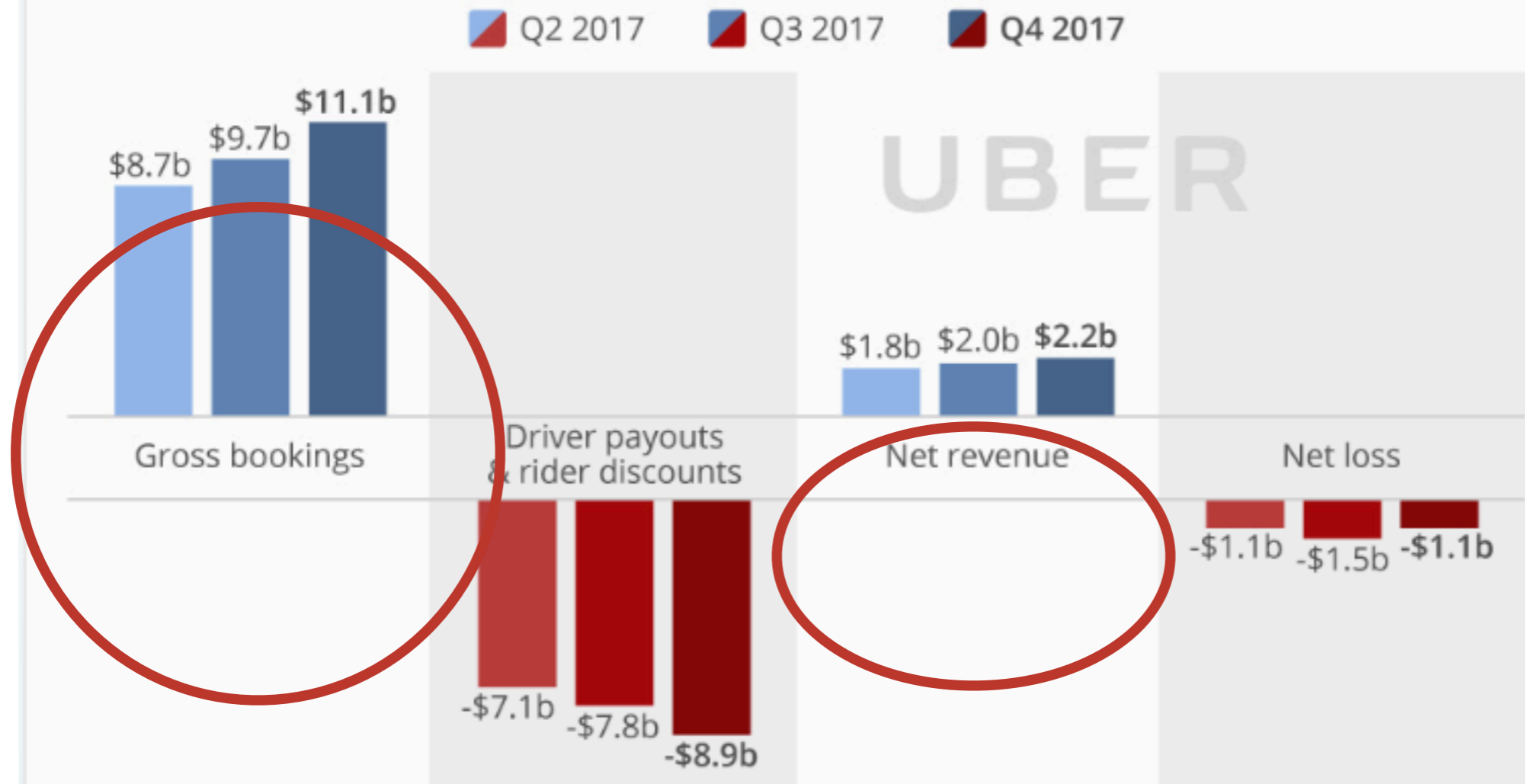
TREND

You'll spend more to improve the patient experience

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Uber's Loss-Making Ride-Hailing Business
Uber's financial performance in the last three quarters of 2017

Q2 2017   Q3 2017   Q4 2017

$11.1b
$9.7b
$8.7b

Gross bookings

Driver payouts & rider discounts

-$7.1b
-$7.8b
-$8.9b

UBER

$1.8b $2.0b **$2.2b**

Net revenue

Net loss

-$1.1b -$1.5b **-$1.1b**

@StatistaCharts   Source: Uber via The Information

statista

https://www.statista.com/chart/12059/uber-revenue-bookings-and-net-loss/

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Table 1. Star Ratings Weighting by Group

Group	Star Ratings Weight
Mortality	22%
Safety of Care	22%
Readmission	22%
Patient Experience	22%
Effectiveness of Care	4%
Timeliness of Care	4%
Efficient Use of Medical Imaging	4%

Chart: Current HCAHPS Reimbursement percent
Comprehensive Methodology Report (v3.0), PDF-1.2 MB (01/05/18) – a description of the Overall Hospital Quality Star Rating methodology
https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetTier3&cid=1228775957165

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## Table 3. Minimum Measure Thresholds using Reliability Calculation and April 2015 Data

Group	Measures	Required N (for R =0.6)	Required N (for R =0.7)	Required N (for R=0.75)	Required N (for R=0.8)
Patient Experience	11	0.73	1.14	1.46	1.95
Readmission	7	1.21	1.89	2.43	3.23
Mortality	6	1.28	1.99	2.56	3.41
Safety of Care	8	1.14	1.78	2.28	3.05
Efficient Use of Medical Imaging	5	0.98	1.52	1.96	2.61
Effectiveness of Care	30	0.90	1.40	1.80	2.41
Timeliness of Care	8	0.80	1.24	1.60	2.13

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You'll become more disillusioned with digital marketing
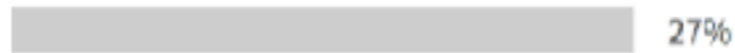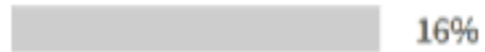
SMITH + JONES
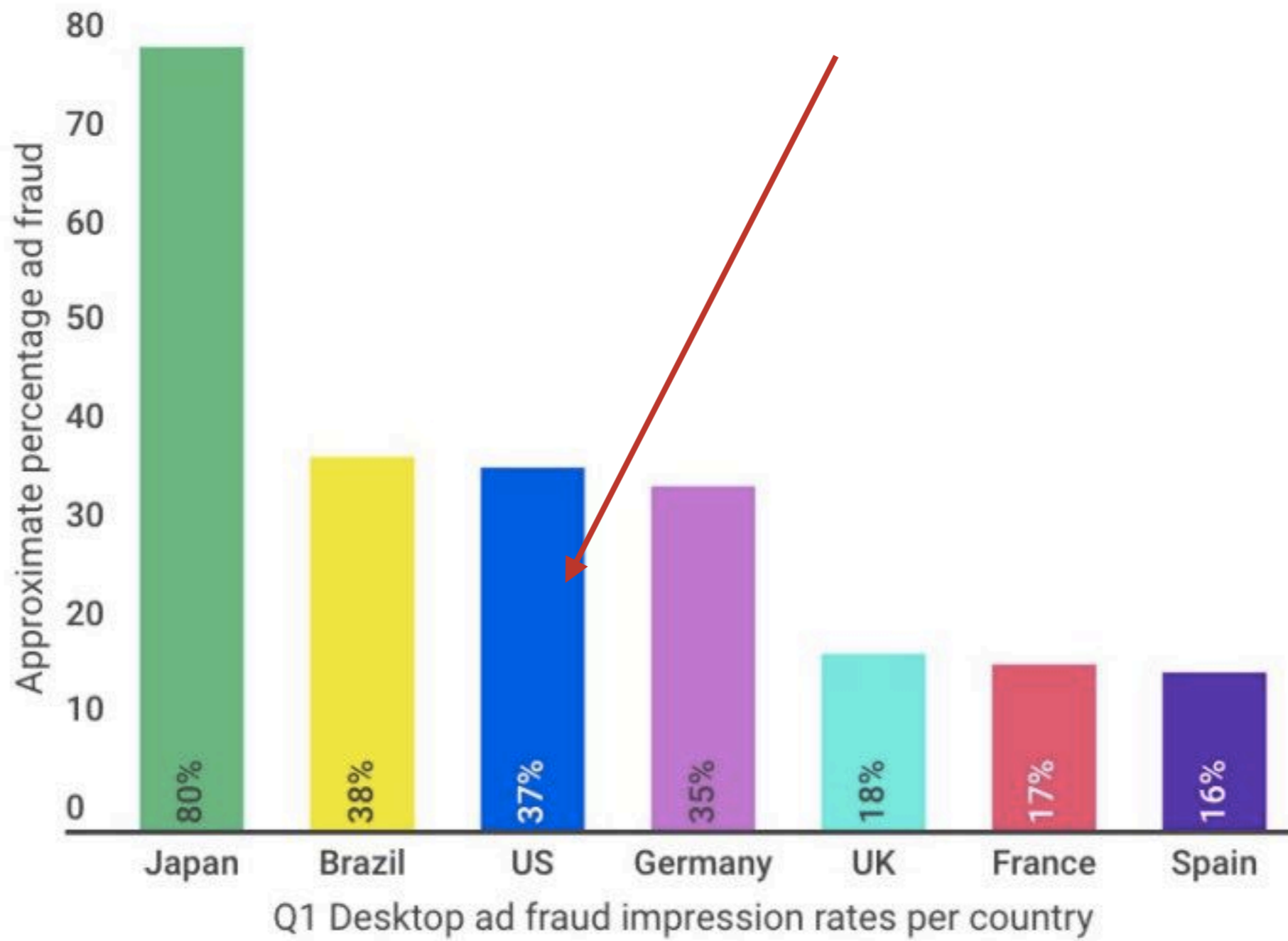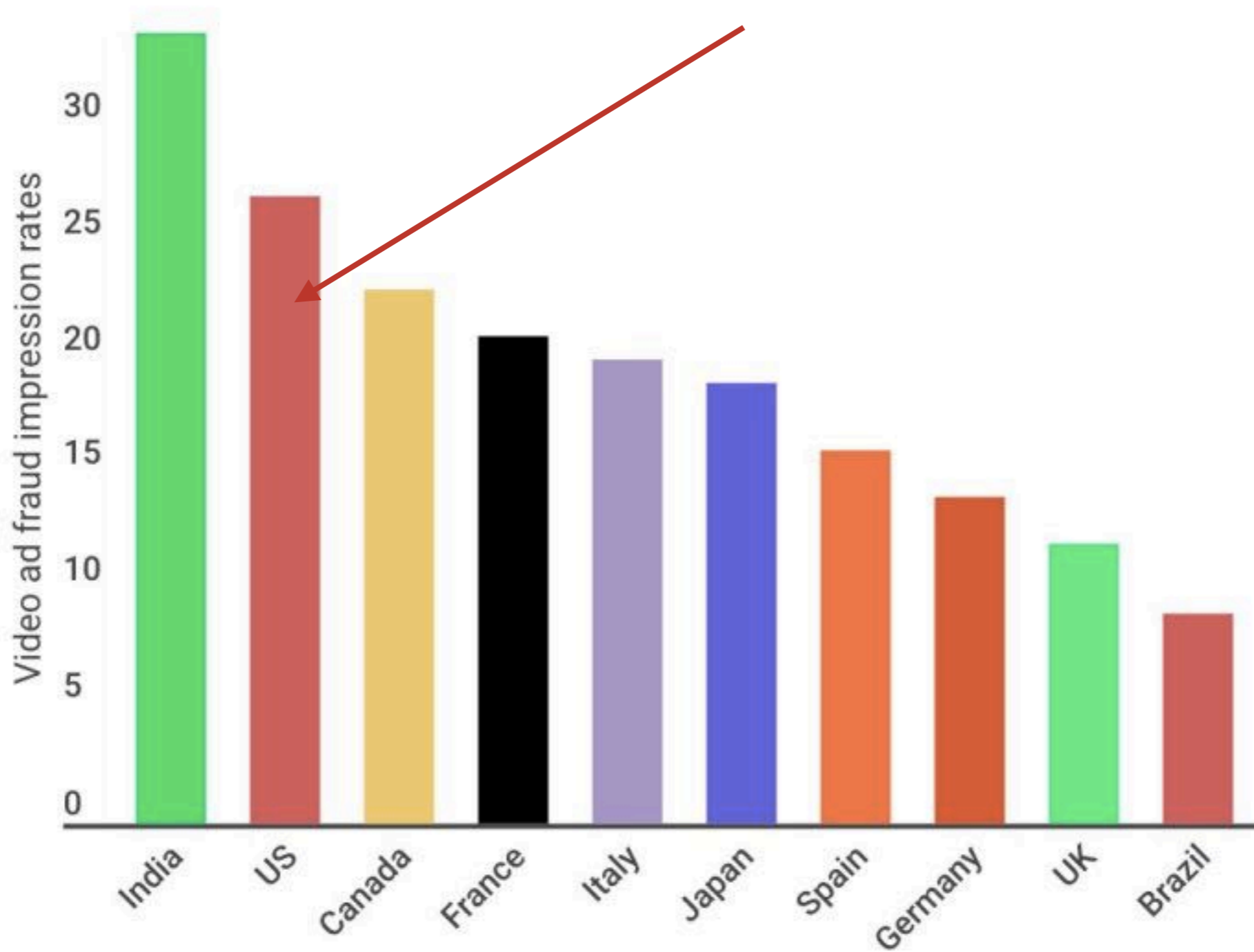
Video ad impression rates by country

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Increasing digital marketing budgets without increasing overall marketing spend

27%

Increasing digital marketing budgets AND increasing overall marketing spend

16%

Decreasing digital marketing budgets

21%

Maintaining the status quo

33%

We're moving away from a line item for "digital" and incorporating it into overall marketing spend

3%

Q: Which of the following best describes your organization's projected budget for digital marketing initiatives in 2017?

http://thesodareport.com/
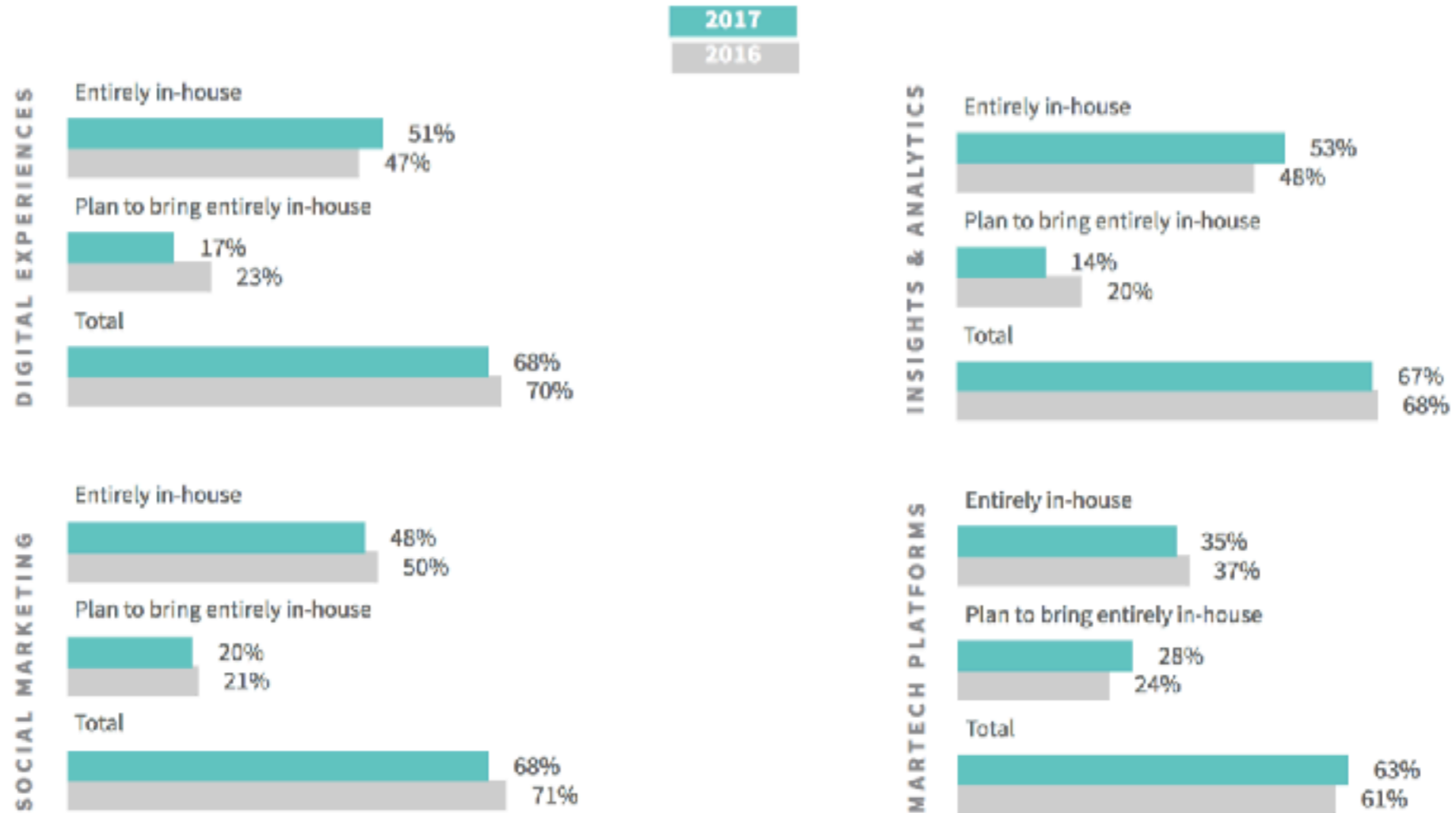
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TREND

Your thirst for data-driven insights will grow, and you'll outsource to quench it
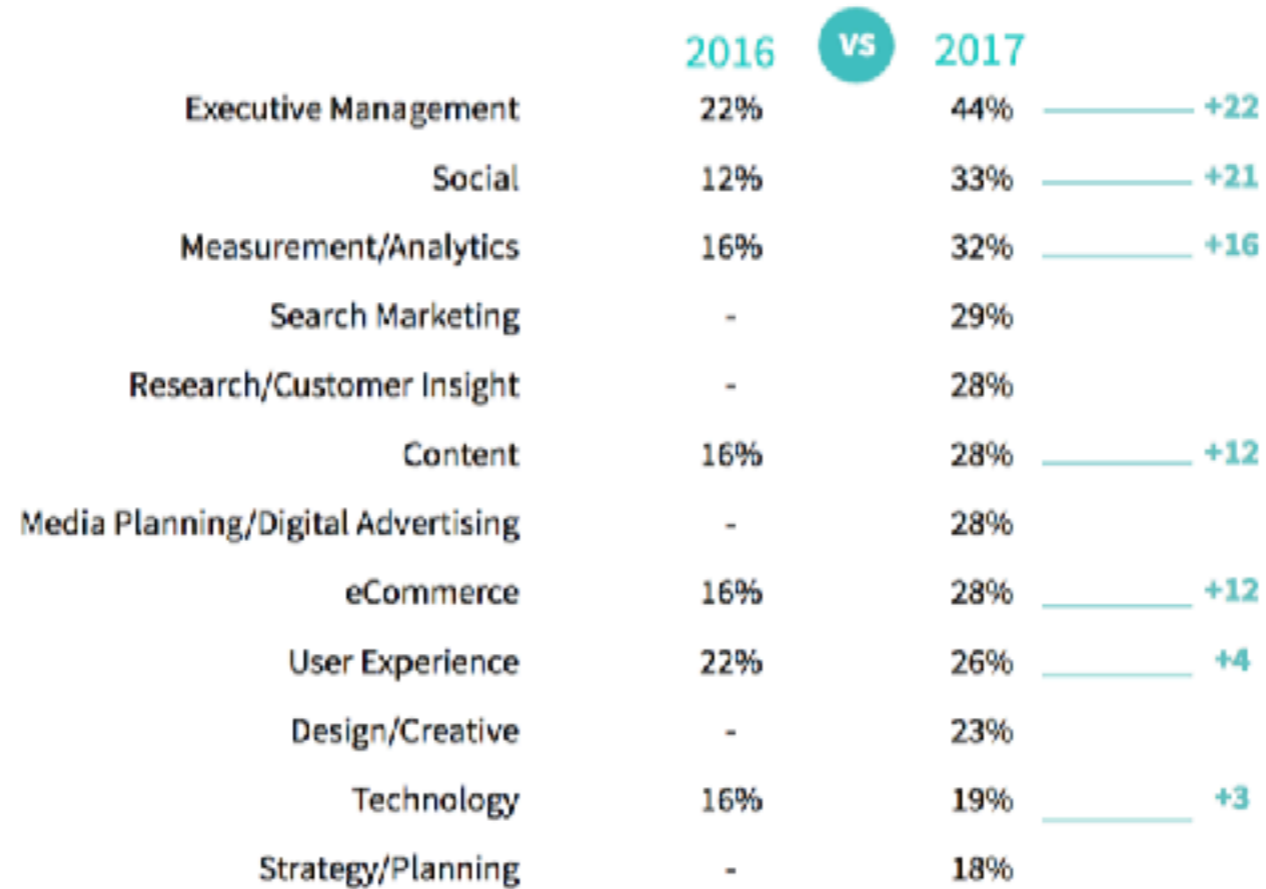
SMITH + JONES

Q: What digital services, if any, have you recently brought in-house or are planning to bring in-house within next 18 months?

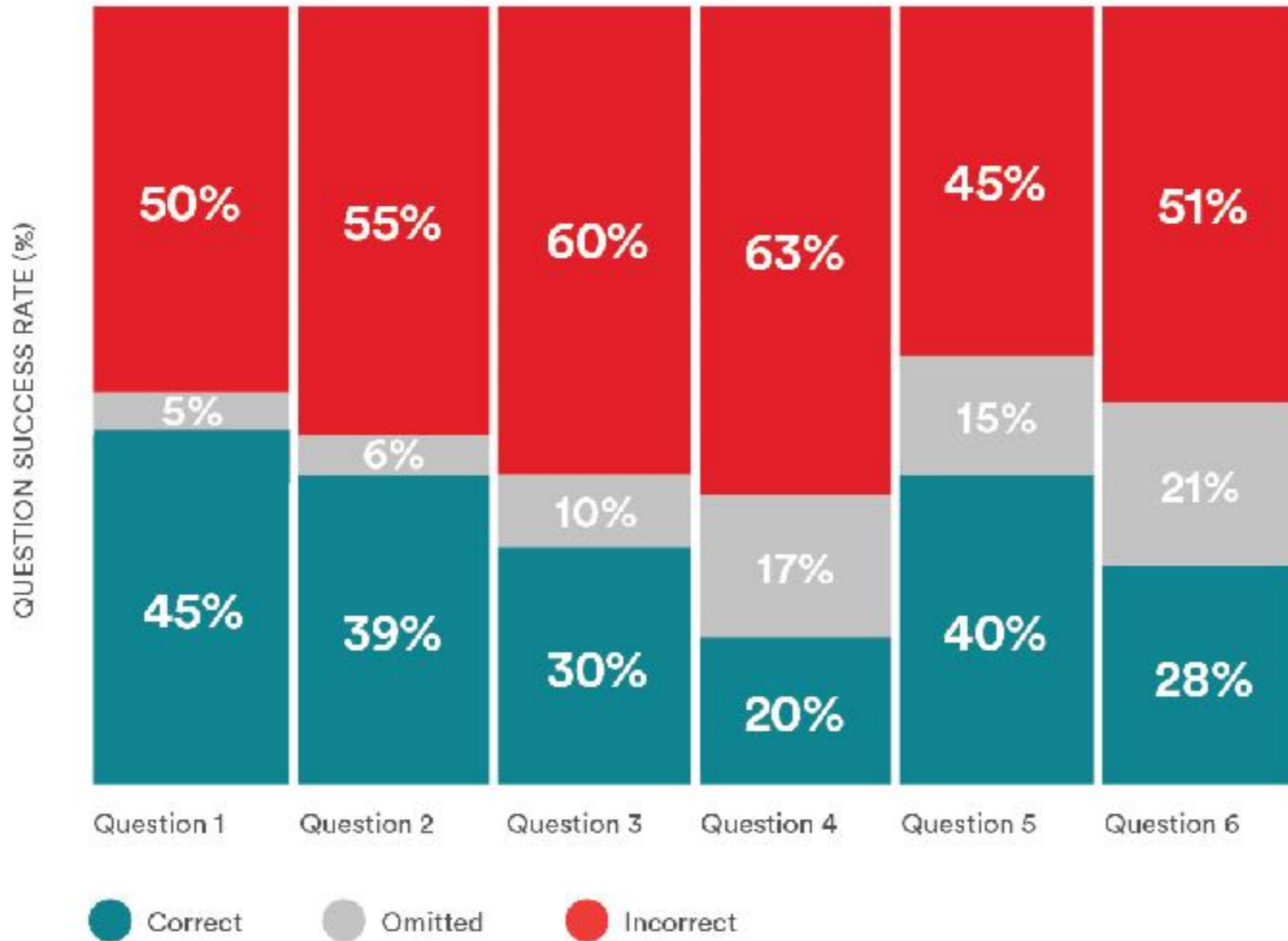## IN-SOURCING OF KEY CAPABILITIES FALLS SHORT OF PLANS

2017
2016

DIGITAL EXPERIENCES

Entirely in-house
51%
47%

Plan to bring entirely in-house
17%
23%

Total
68%
70%

INSIGHTS & ANALYTICS

Entirely in-house
53%
48%

Plan to bring entirely in-house
14%
20%

Total
67%
68%

SOCIAL MARKETING

Entirely in-house
48%
50%

Plan to bring entirely in-house
20%
21%

Total
68%
71%

MARTECH PLATFORMS

Entirely in-house
35%
37%

Plan to bring entirely in-house
28%
24%

Total
63%
61%

http://thesodareport.com/

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Q: What are the most significant gaps in talent in your organization with respect to digital marketing?

	2016	VS	2017	
Executive Management	22%		44%	+22
Social	12%		33%	+21
Measurement/Analytics	16%		32%	+16
Search Marketing	-		29%	
Research/Customer Insight	-		28%	
Content	16%		28%	+12
Media Planning/Digital Advertising	-		28%	
eCommerce	16%		28%	+12
User Experience	22%		26%	+4
Design/Creative	-		23%	
Technology	16%		19%	+3
Strategy/Planning	-		18%	

http://thesodareport.com/

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QUESTION SUCCESS RATE (%)

	Question 1	Question 2	Question 3	Question 4	Question 5	Question 6
Incorrect	50%	55%	60%	63%	45%	51%
Omitted	5%	6%	10%	17%	15%	21%
Correct	45%	39%	30%	20%	40%	28%

● Correct   ● Omitted   ● Incorrect

Source: General Assembly Digital Marketing Level 1 (DM1) assessment results

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You'll sell more care to millennials

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Generation name	Birth years
Millennials	Born 1977-1993
Gen X	Born 1965-1976
Younger Boomers	Born 1955-1964
Older Boomers	Born 1946-1954
Silent Generation	Born 1937-1945
G.I. Generation	Born before 1936

http://www.pewinternet.org/2011/02/03/generations-and-their-gadgets/

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Prevalence of coronary heart disease by age and sex
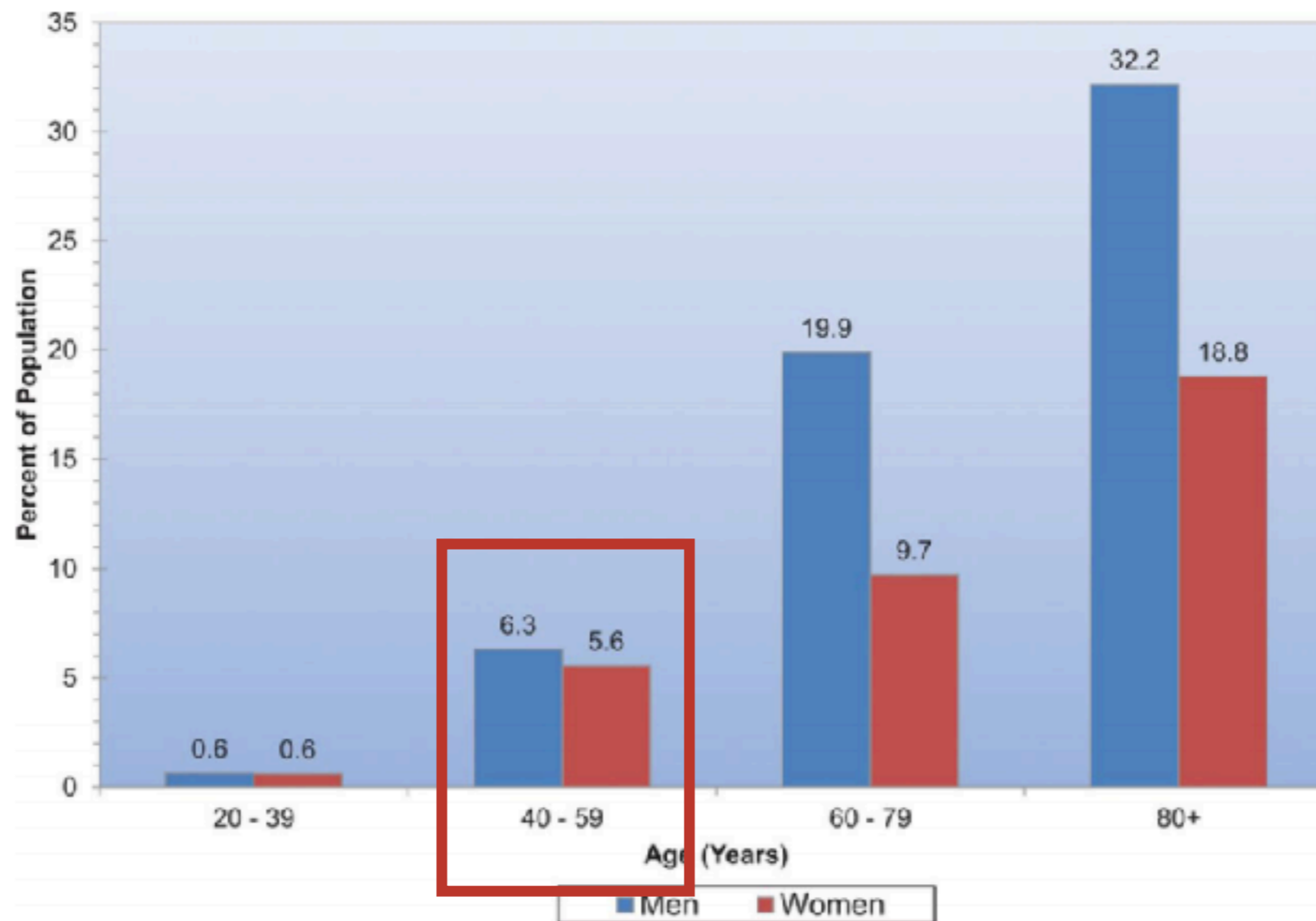
National Health and Nutrition Examination Survey: 2009–2012.

American Heart Association.

Mozaffarian D et al. Circulation. 2015;131:e29-e322

https://www.heart.org/idc/groups/heart-public/@wcm/@sop/@smd/documents/downloadable/ucm_449846.pdf

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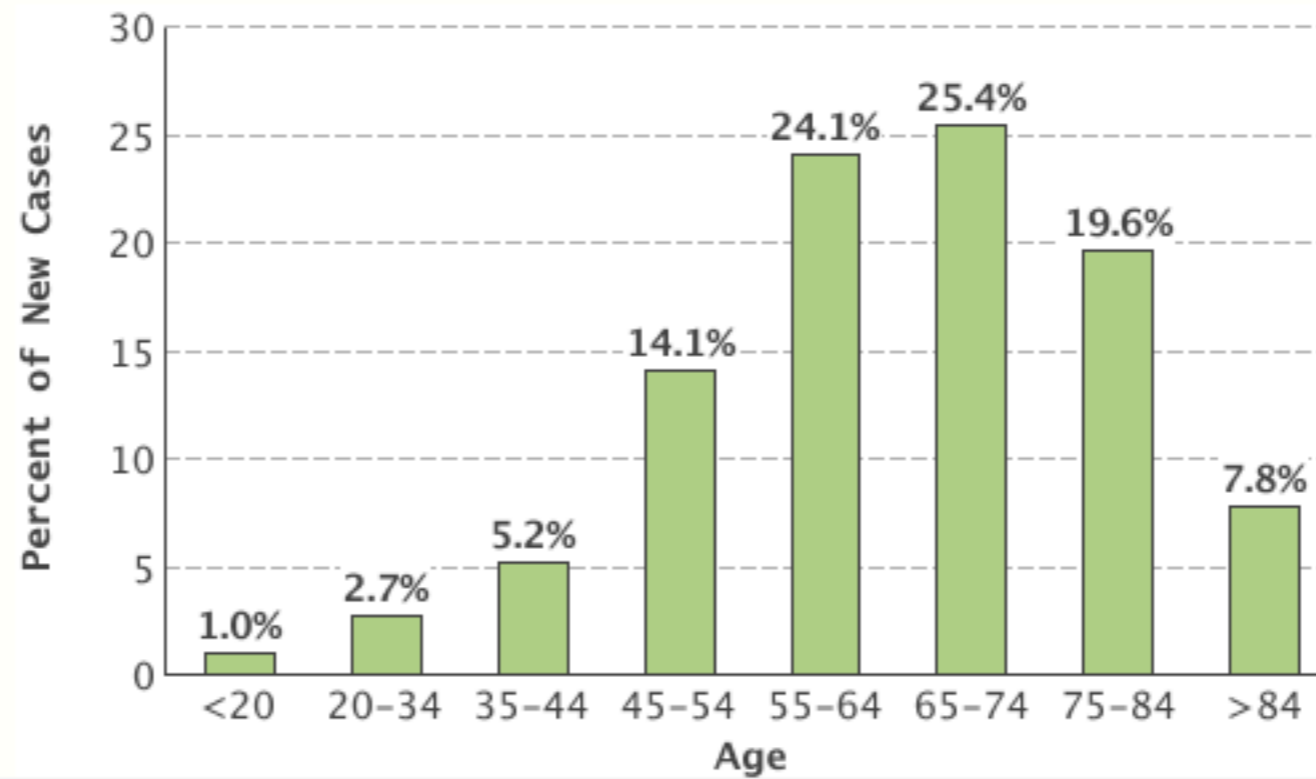Prevalence of Self-Reported Musculoskeletal Diseases [1], by Age, United States 2012
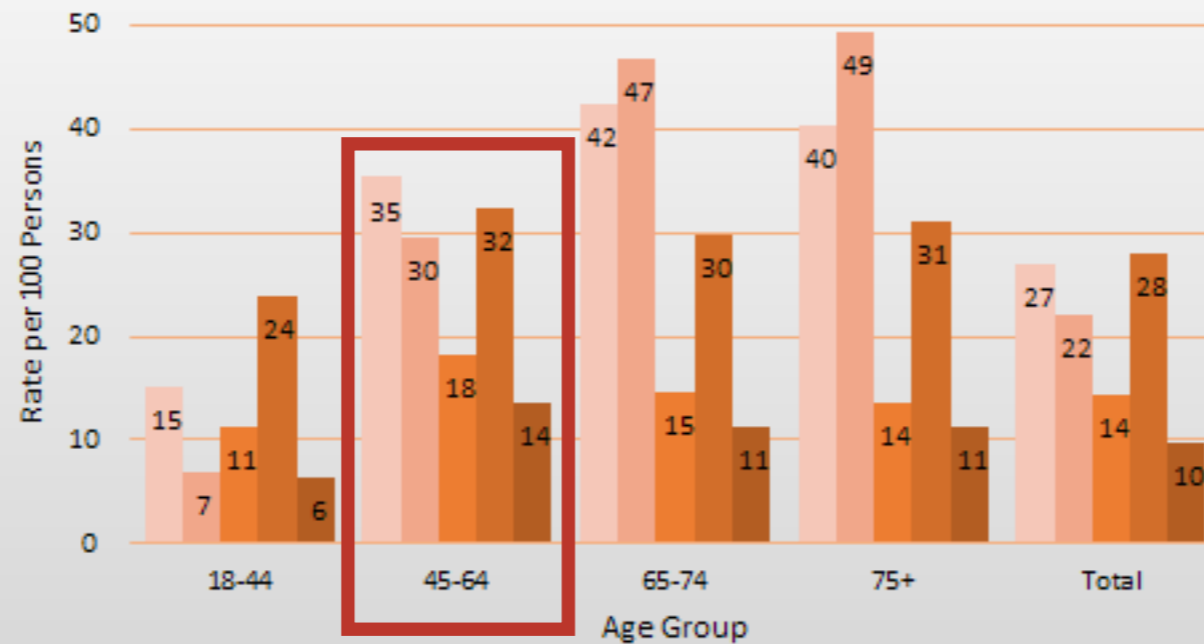
Percent of New Cancers by Age Group: All Cancer Sites

https://www.cancer.gov/about-cancer/causes-prevention/risk/age
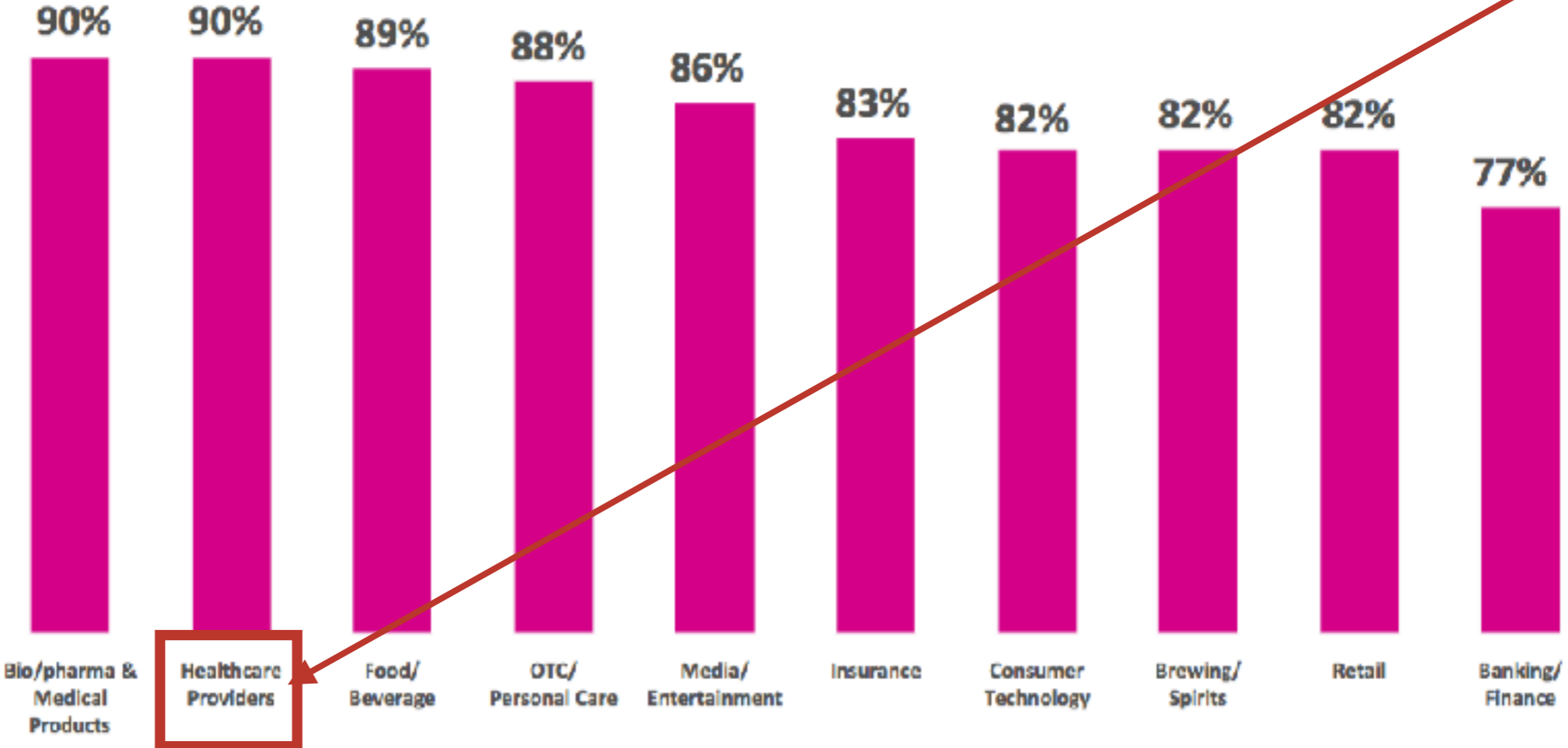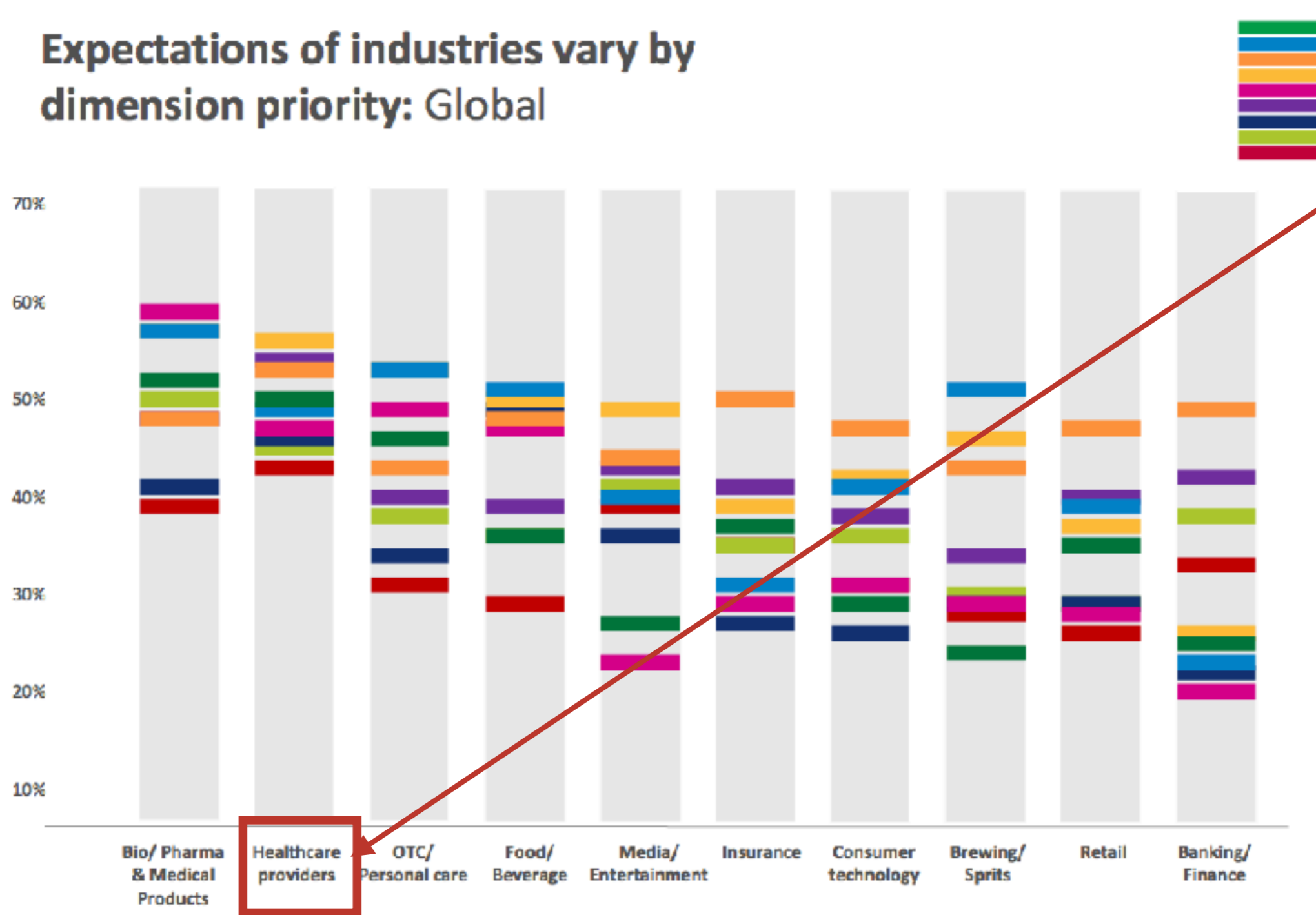
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You'll have to contribute to the wellness of the greater community, beyond your patients

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All industries expected to engage in health *beyond helping employees*

90% — Bio/pharma & Medical Products
90% — Healthcare Providers
89% — Food/ Beverage
88% — OTC/ Personal Care
86% — Media/ Entertainment
83% — Insurance
82% — Consumer Technology
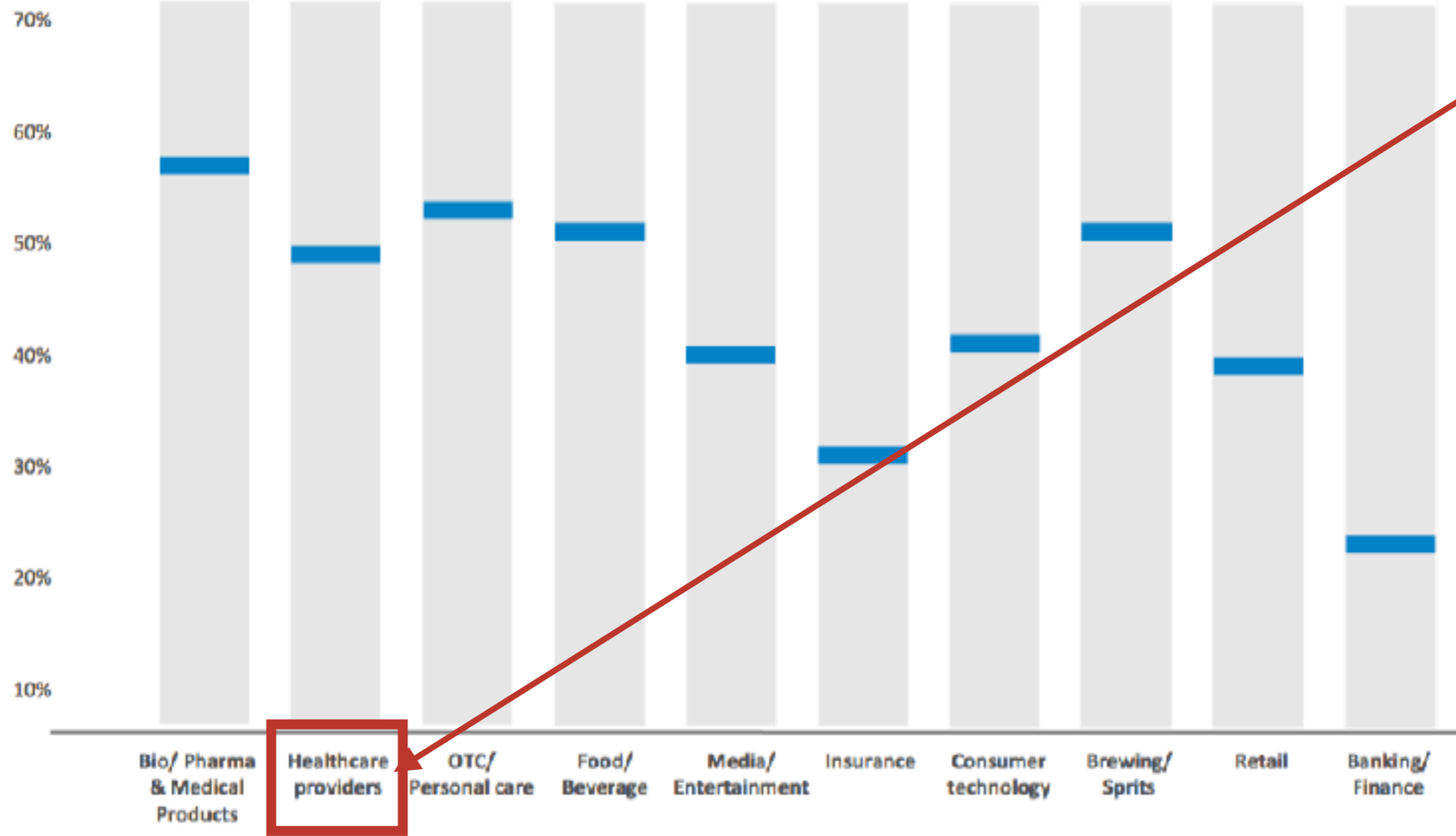82% — Brewing/ Spirits
82% — Retail
77% — Banking/ Finance

Q91. – Q100. Below is a list of industries. For each, please indicate the ways in which you think it is important for that industry to engage in health. (Selected at least one option other than "Helping employees and their families lead healthier lives") (Global)

Edelman | HealthEngagement

https://www.slideshare.net/EdelmanDigital/edelman-health-engagement-barometer-2010

SMITH + JONES

Expectations of industries vary by dimension priority: Global

Bio/ Pharma & Medical Products | Healthcare providers | OTC/ Personal care | Food/ Beverage | Media/ Entertainment | Insurance | Consumer technology | Brewing/ Sprits | Retail | Banking/ Finance

Q91. – Q100. Below is a list of industries. For each, please indicate the ways in which you think it is important for that industry to engage in health. (Global)
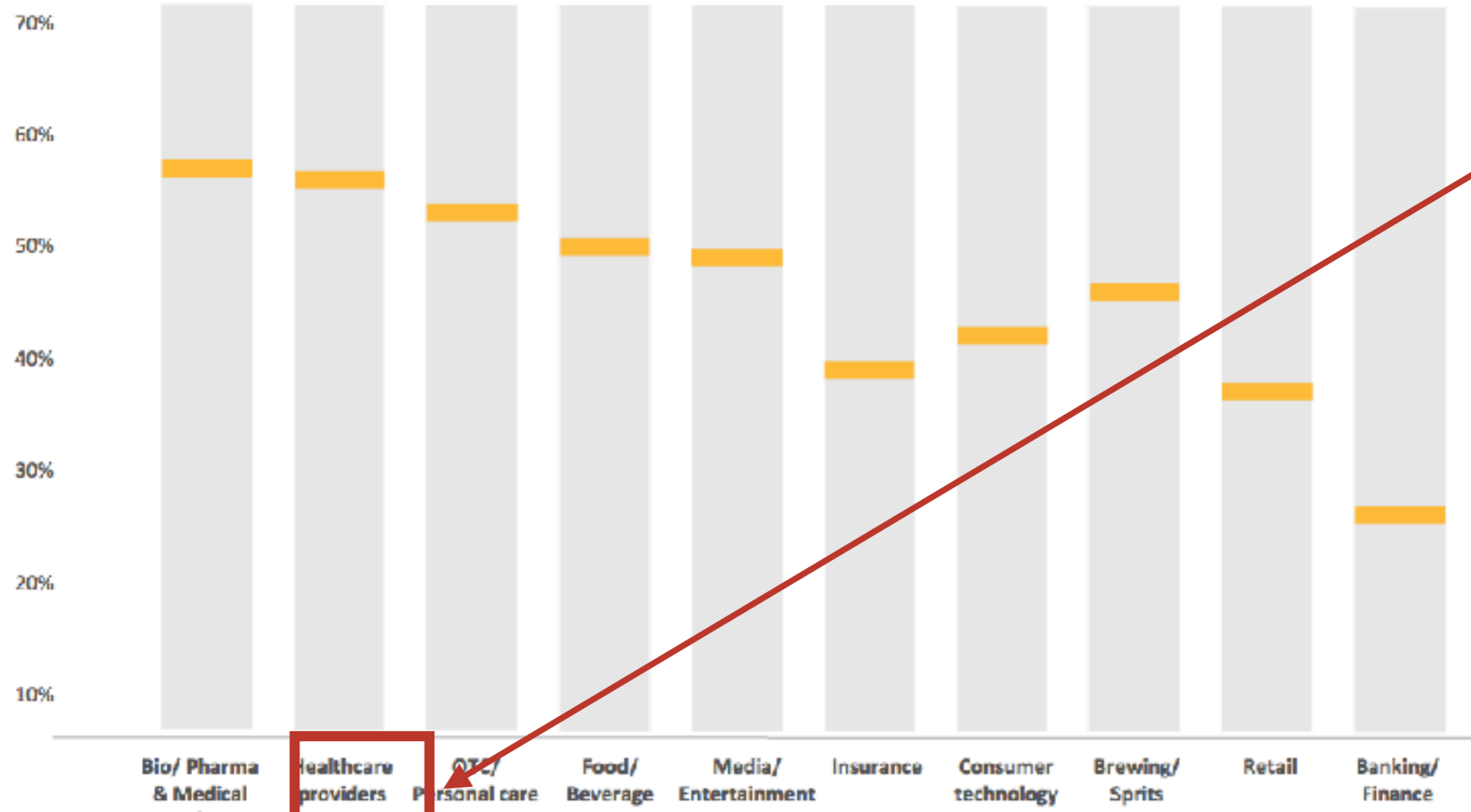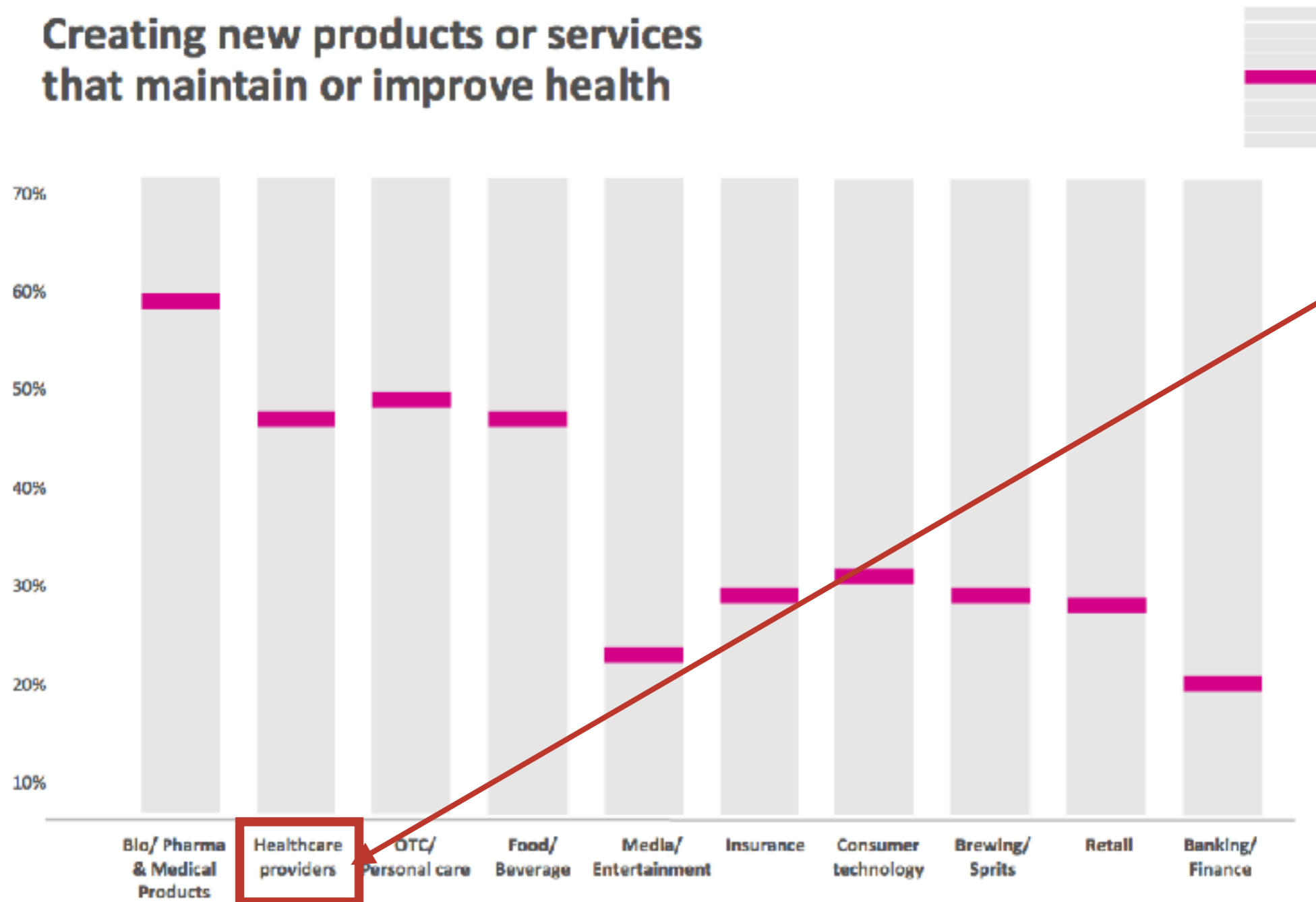*Not all bars may appear due to overlap

Edelman | HealthEngagement

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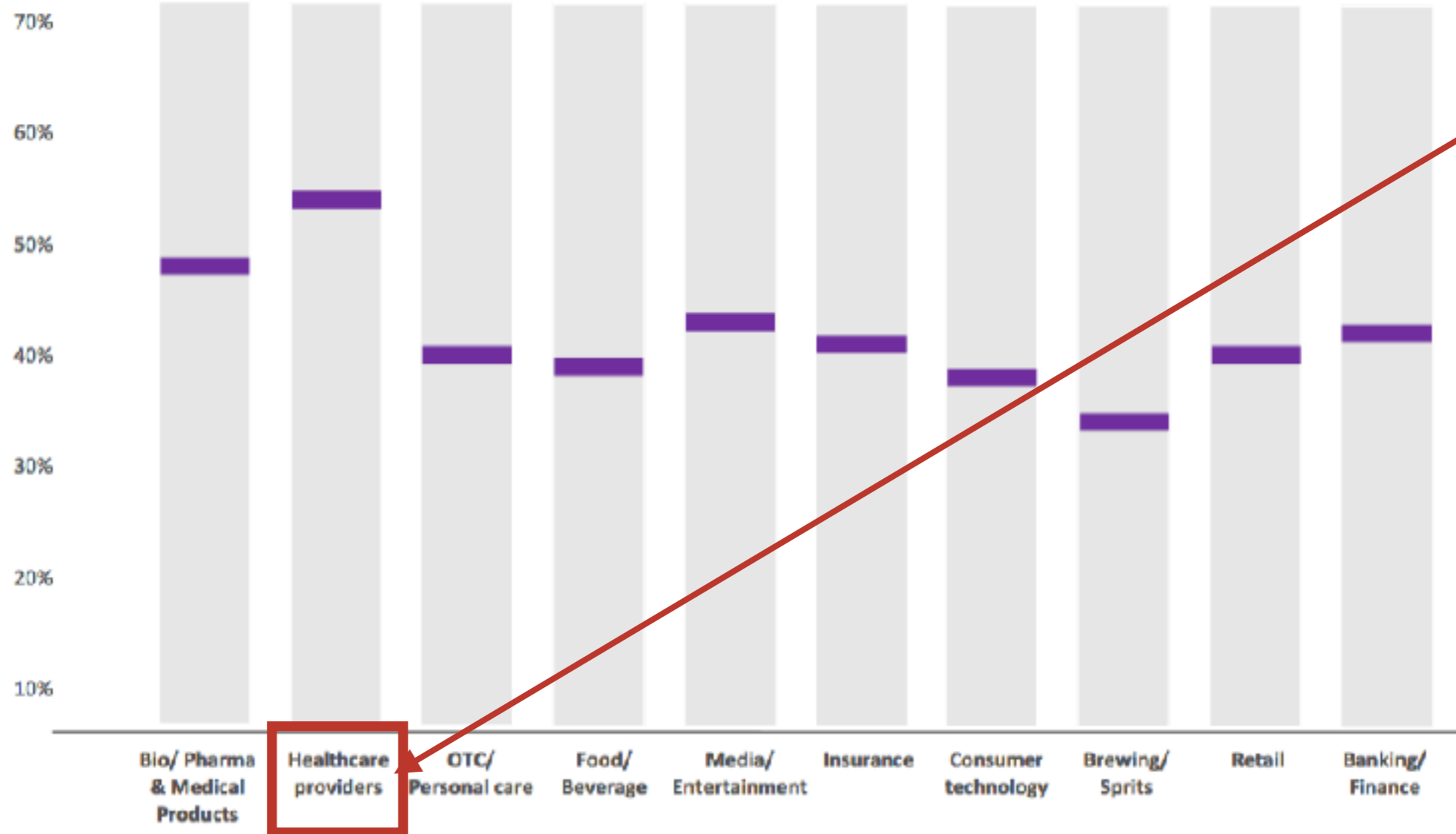Communicating health risks of products or services

Q91. – Q100. Below is a list of industries. For each, please indicate the ways in which you think it is important for that industry to engage in health. (Global)

Edelman | HealthEngagement

https://www.slideshare.net/EdelmanDigital/edelman-health-engagement-barometer-2010

Educating the public on health topics related to products or services

Q91. – Q100. Below is a list of industries. For each, please indicate the ways in which you think it is important for that industry to engage in health. (Global)

Edelman | HealthEngagement

47

https://www.slideshare.net/EdelmanDigital/edelman-health-engagement-barometer-2010

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Supporting the health of local communities

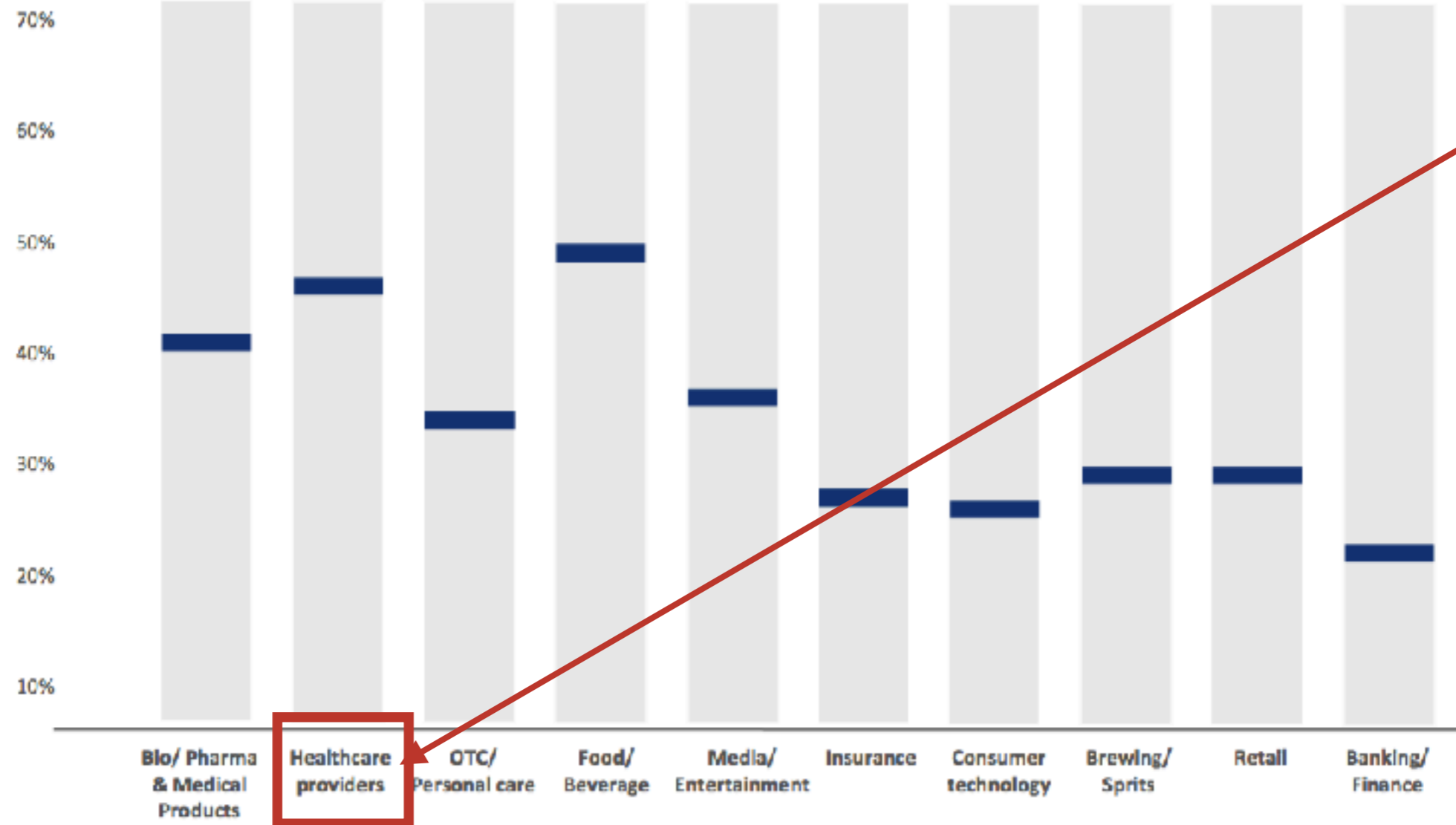SMITH+JONES

Helping to address obesity

Q91. – Q100. Below is a list of industries. For each, please indicate the ways in which you think it is important for that industry to engage in health. (Global)
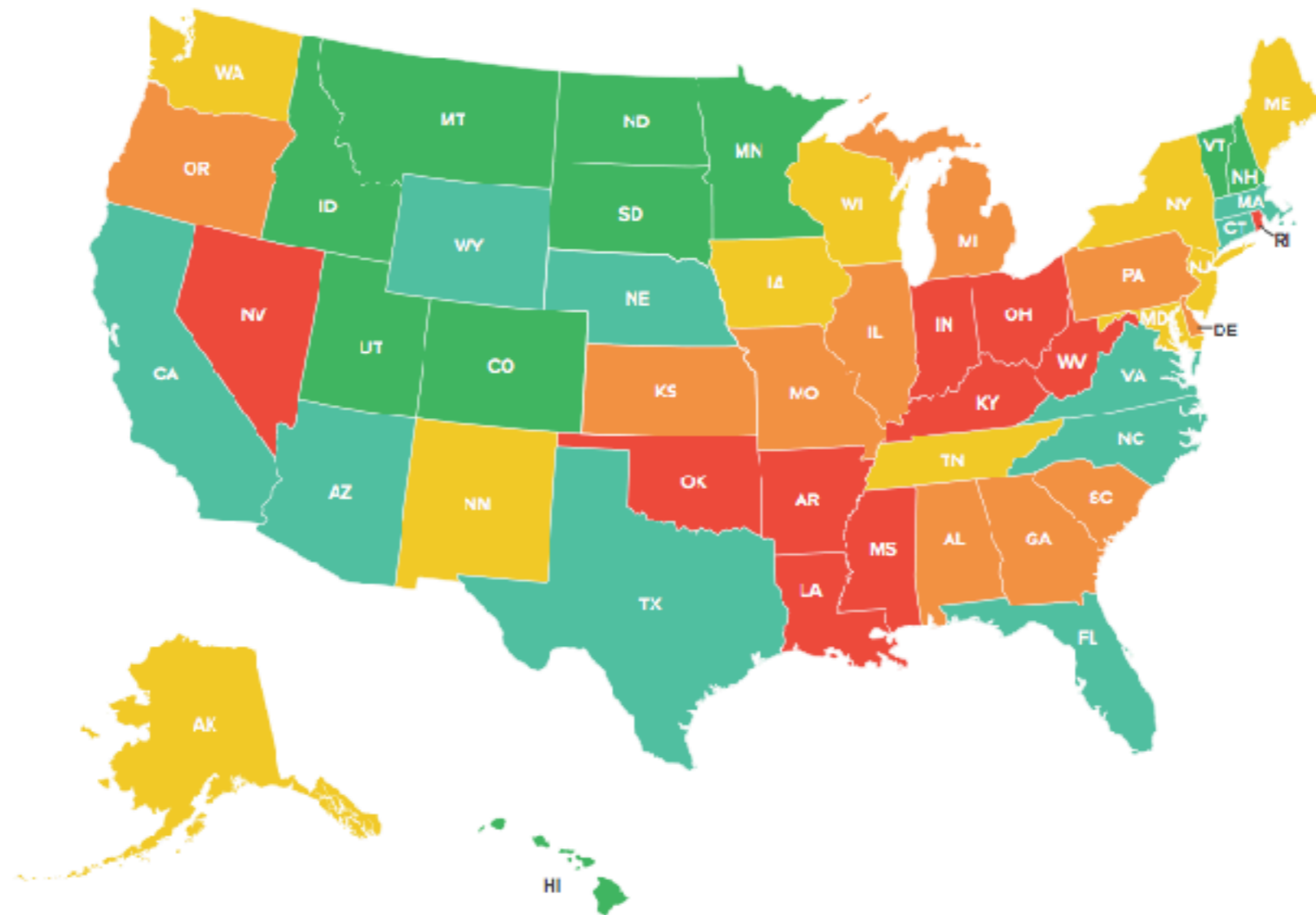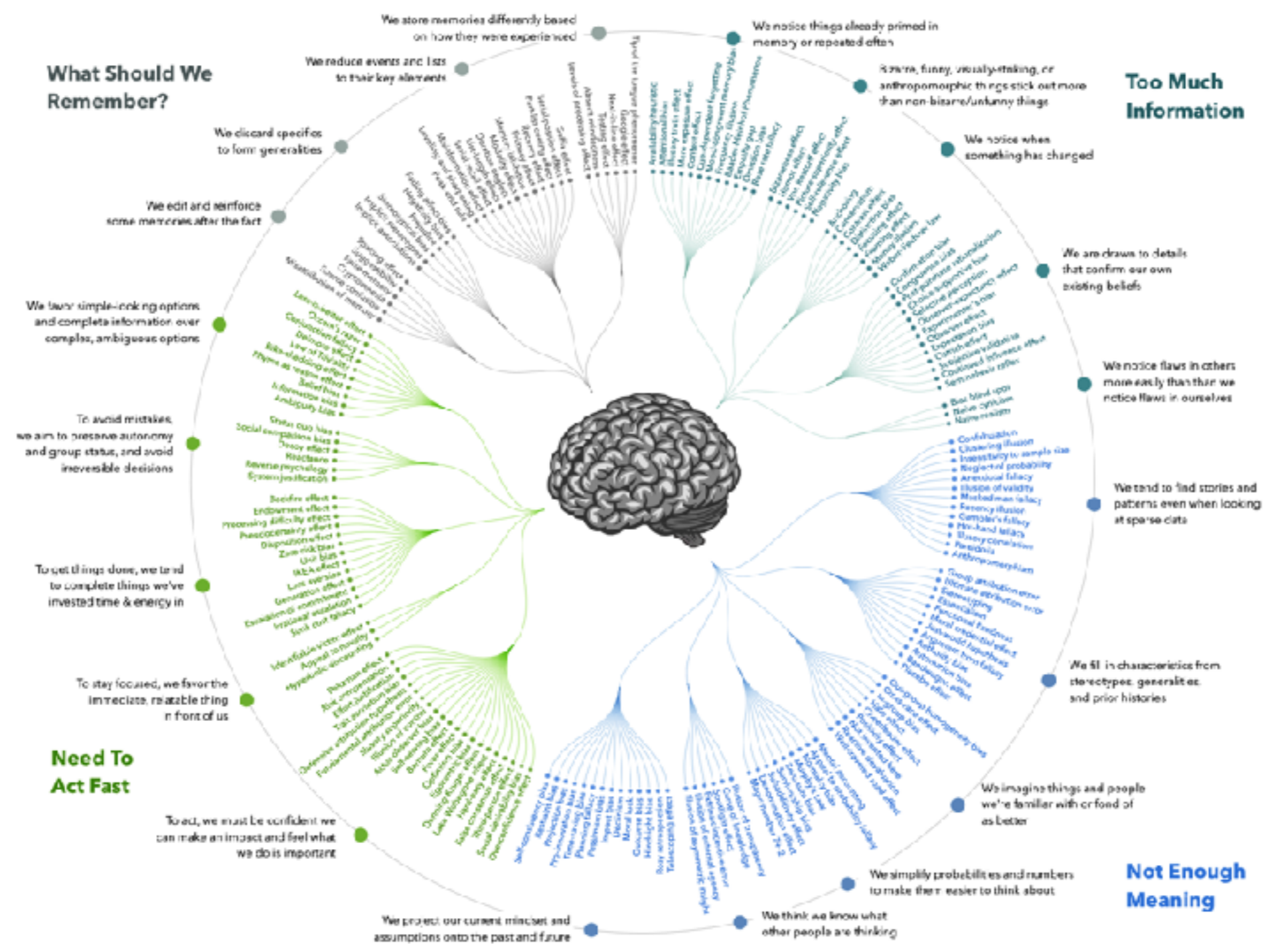
Edelman | HealthEngagement

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2017 State Well-Being Rankings

| Top Quintile | 2nd Quintile | 3rd Quintile | 4th Quintile | 5th Quintile |

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TREND

You'll embrace behavioral economics

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COGNITIVE BIAS CODEX

What Should We Remember?

We store memories differently based on how they were experienced

We reduce events and lists to their key elements

We discard specifics to form generalities

We edit and reinforce some memories after the fact

We favor simple-looking options and complete information over complex, ambiguous options

Too Much Information

We notice things already primed in memory or repeated often

Bizarre, funny, visually-striking, or anthropomorphic things stick out more than non-bizarre/unfunny things

We notice when something has changed

We are drawn to details that confirm our own existing beliefs

We notice flaws in others more easily than we notice flaws in ourselves

We tend to find stories and patterns even when looking at sparse data

We fill in characteristics from stereotypes, generalities, and prior histories

We imagine things and people we're familiar with or fond of as better

Need To Act Fast

To avoid mistakes, we aim to preserve autonomy and group status, and avoid irreversible decisions

To get things done, we tend to complete things we've invested time & energy in

To stay focused, we favor the immediate, relatable thing in front of us

To act, we must be confident we can make an impact and feel what we do is important

Not Enough Meaning

We simplify probabilities and numbers to make them easier to think about

We project our current mindset and assumptions onto the past and future

We think we know what other people are thinking

https://en.wikipedia.org/wiki/List_of_cognitive_biases

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You'll increasingly be a victim of The Netflix Dilemma

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Screenshot from Netflix

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Ability to process information

Decision Paralysis

Number of presented choices

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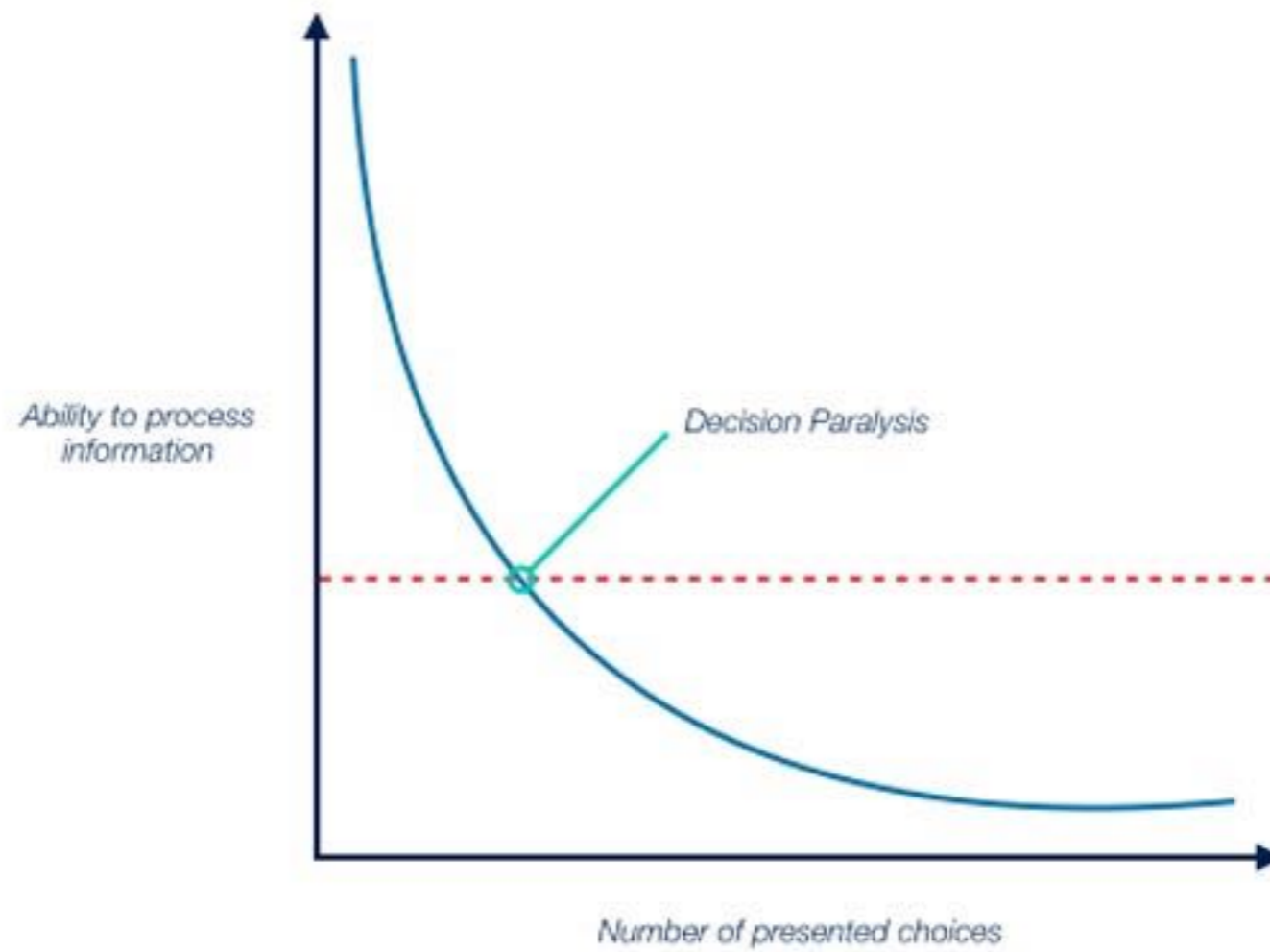
THE JAM STUDY

A grocery store conducted 2 tasting sessions. In one session shoppers were allowed to sample 24 flavors of jams, and in the other session they were allowed to sample 6 flavors

24 Choices of Jam   vs   6 Choices of Jam

Attracted 60% of Shoppers

Attracted 40% of Shoppers

Shoppers sampled 2 flavours on average

Shoppers sampled 2 flavours on average

3% of shoppers bought jam

30% of shoppers bought jam

http://noahrickun.com/lets-jam-make-more-sales-by-using-the-paradox-of-choice/

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TREND

The hype around cutting-edge martech will grow, but you won't buy it yet

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Hype Cycle for Digital Marketing and Advertising, 2017
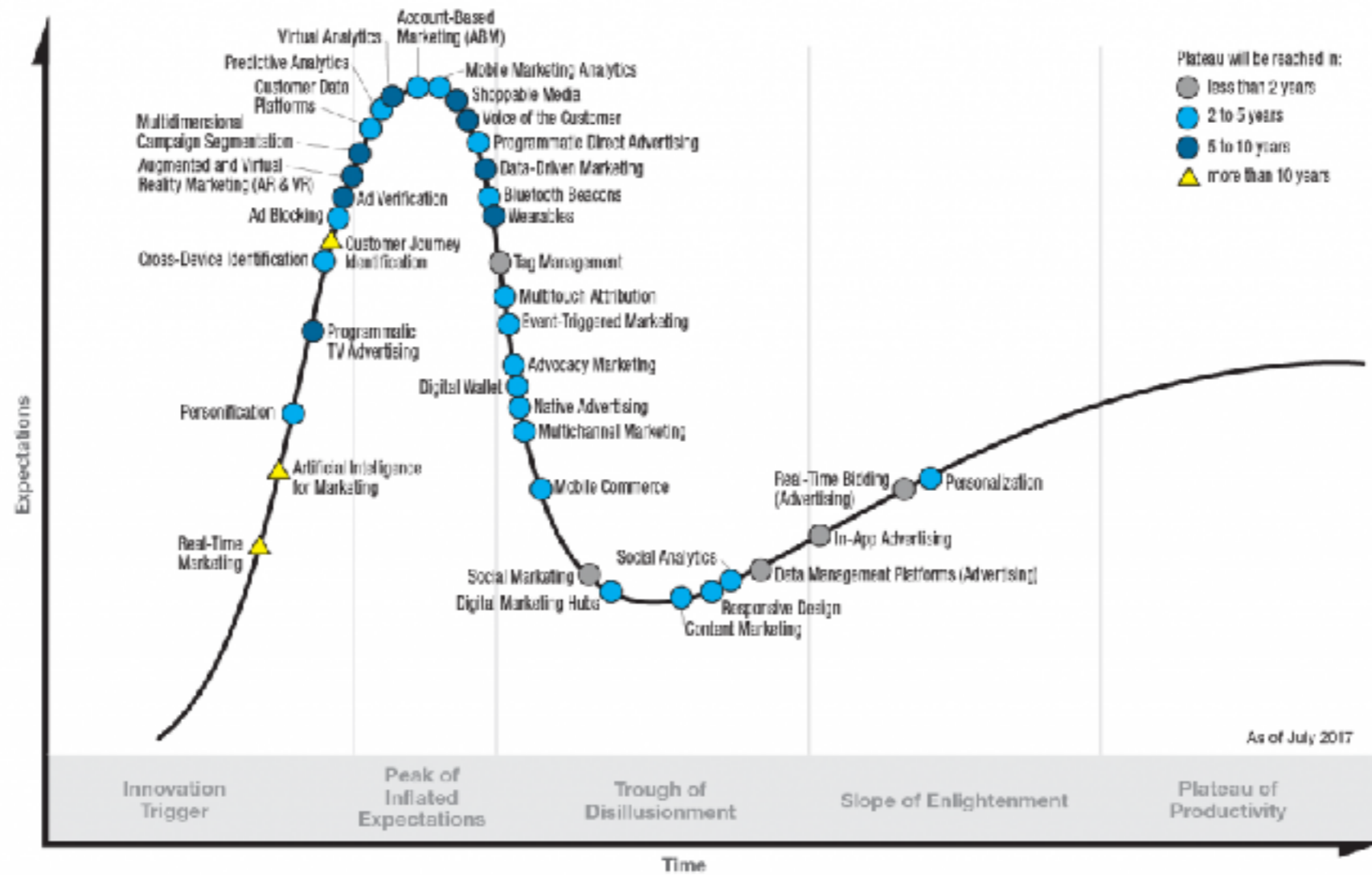
Marketers are sick of hearing about AI.

47% of marketers already consider AI to be overhyped, far more than other industry buzzwords.

69% of marketers rate their vendors' ability to help them execute on AI as "poor" or "fair."

42% of marketers have no plans to implement AI or have abandoned their attempts.

30% of marketers think vendors that use industry buzzwords are "full of it."

20% think vendors don't know what they're talking about

Most overhyped marketing concepts:

Artificial intelligence — 47%
Big data — 31%
Omnichannel — 23%
Real-time marketing — 20%
Personalization — 14%

How the expression "artificial intelligence" makes marketers feel:

Skeptical 40%
Energized 14%
Optimistic 21%
Neutral 21%
Exhausted 12%

SMITH + JONES
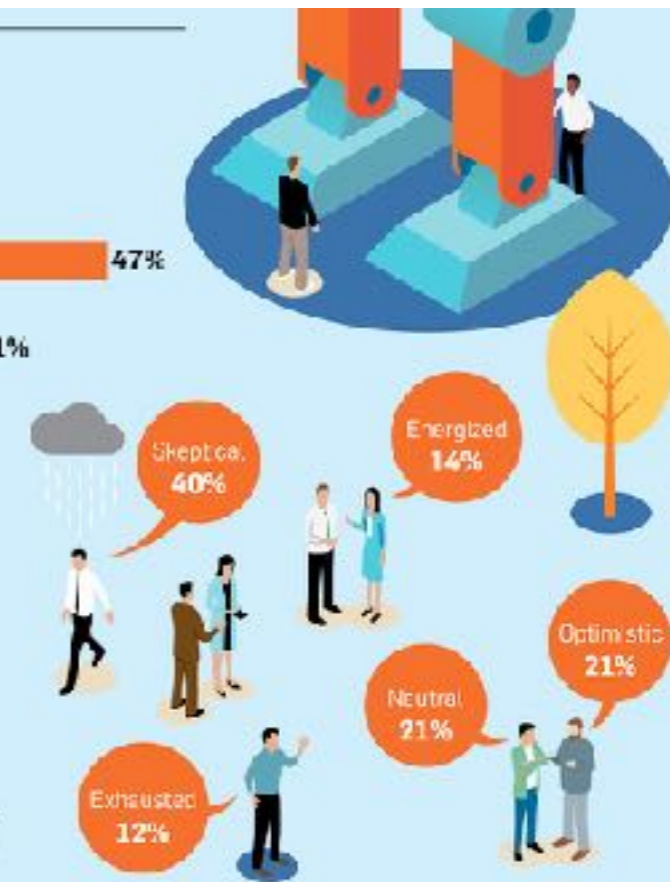
You'll start tailoring content along the lines of first and second opinions

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The % of internet users who have looked online for information about…

66	specific disease or medical problem
56	certain medical treatment or procedure
44	doctors or other health professionals
36	hospitals or other medical facilities
33	health insurance, including private insurance, Medicare or Medicaid
29	food safety or recalls
24	drug safety or recalls
22	environmental health hazards
19	pregnancy and childbirth
17	memory loss, dementia, or Alzheimer's
16	medical test results
14	how to manage chronic pain
12	long-term care for an elderly or disabled person
7	end-of-life decisions
28	another health topic not included in the survey
80	**at least one of the above topics**

http://www.pewinternet.org/20II/02/0I/summary-charts/

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Mark Hyman, MD | How to Make Smarter Food Choices

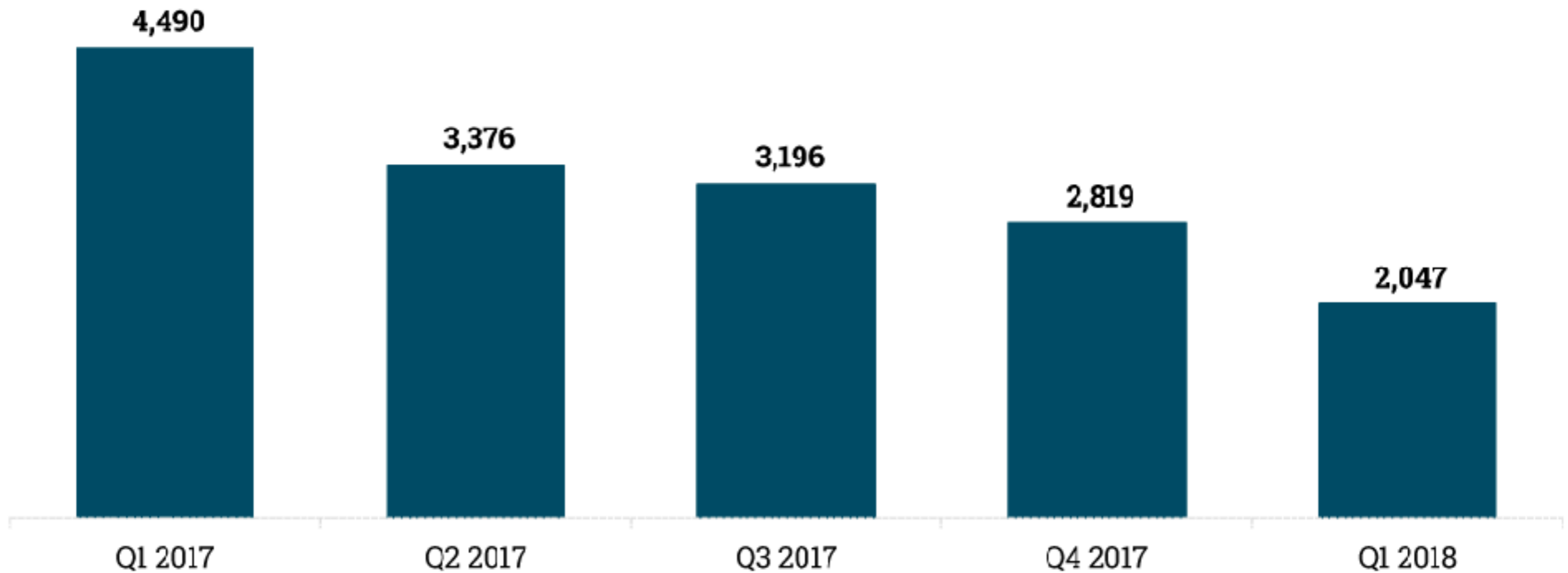Screenshot from Cleveland Clinic YouTube channel
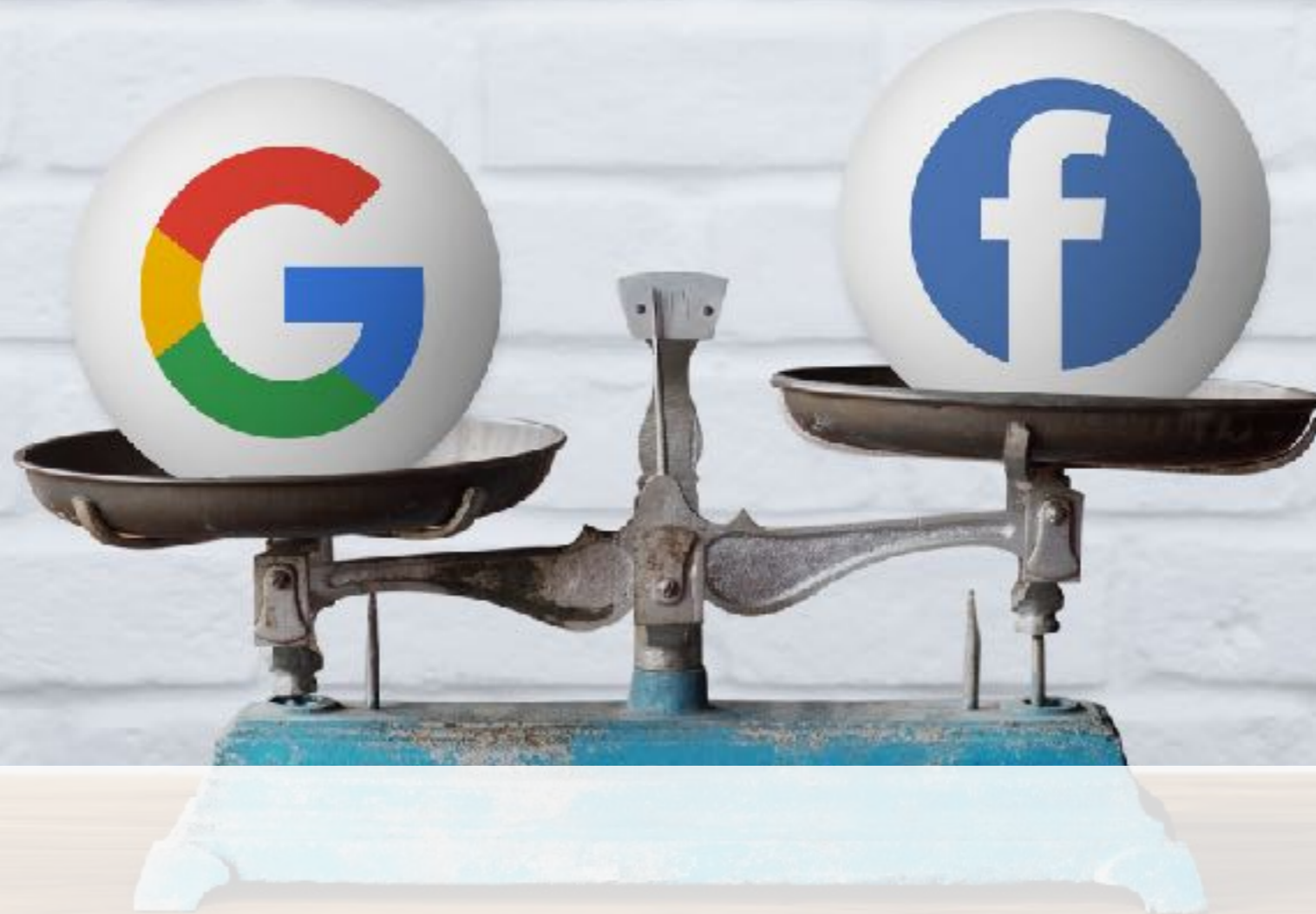
TREND

You'll rejigger your mix of paid search and social

Number of Facebook Interactions per Post
(Among the top 20,000 brands on Facebook)

marketing charts

Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
4,490	3,376	3,196	2,819	2,047

Published on MarketingCharts.com in August 2018 | Data Source: Buffer / BuzzSumo

Based on an analysis of 43 million Facebook Business Page posts from the top 20,000 brands on Facebook

https://www.marketingcharts.com/charts/number-facebook-interactions-per-post-q1-2017-q2-2018/attachment/bufferbuzzsumo-fb-interactions-per-post-aug2018

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Facebook's Black Thursday

Biggest single-day market cap losses suffered by U.S. public companies

Loss	Date	Company
-$119.4b	Jul 26 2018	Facebook
-$90.7b	Sep 22 2000	Intel
-$80.0b	Apr 3 2000	Microsoft
-$59.6b	Jan 24 2013	Apple
-$52.5b	Oct 15 2008	Exxon Mobil
-$46.9b	Apr 11 2008	General Electric
-$41.1b	Feb 2 2018	Alphabet
-$38.5b	Oct 7 2008	Bank of America
-$36.5b	Apr 2 2018	Amazon
-$28.9b	Feb 5 2018	Wells Fargo

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Actions Taken in Response to Healthcare Ads
(Base: US adults with any diagnosed condition)

marketing charts

% who have taken some action as a result of seeing healthcare ads

- On a mobile device: 60%
- On the internet: 55%
- On television: 42%
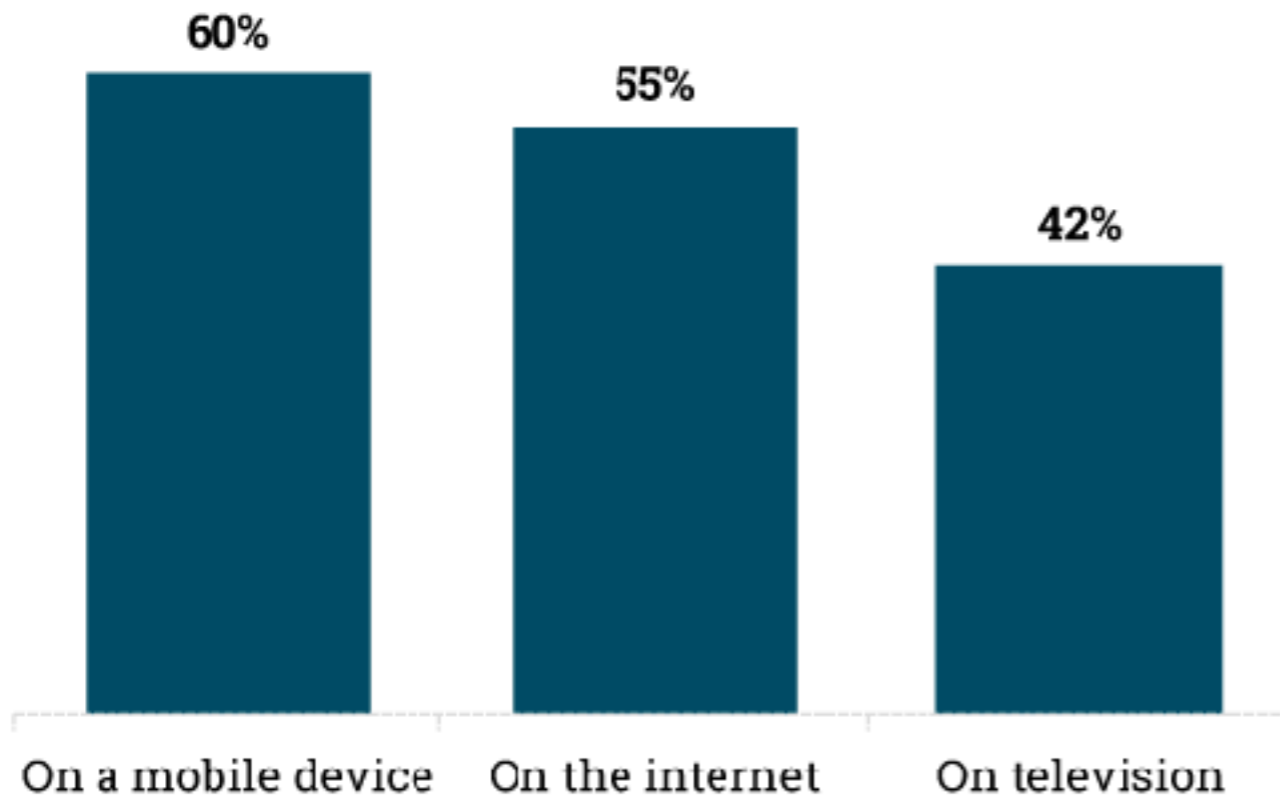
Top actions taken in response to seeing healthcare ads on the internet or a mobile device
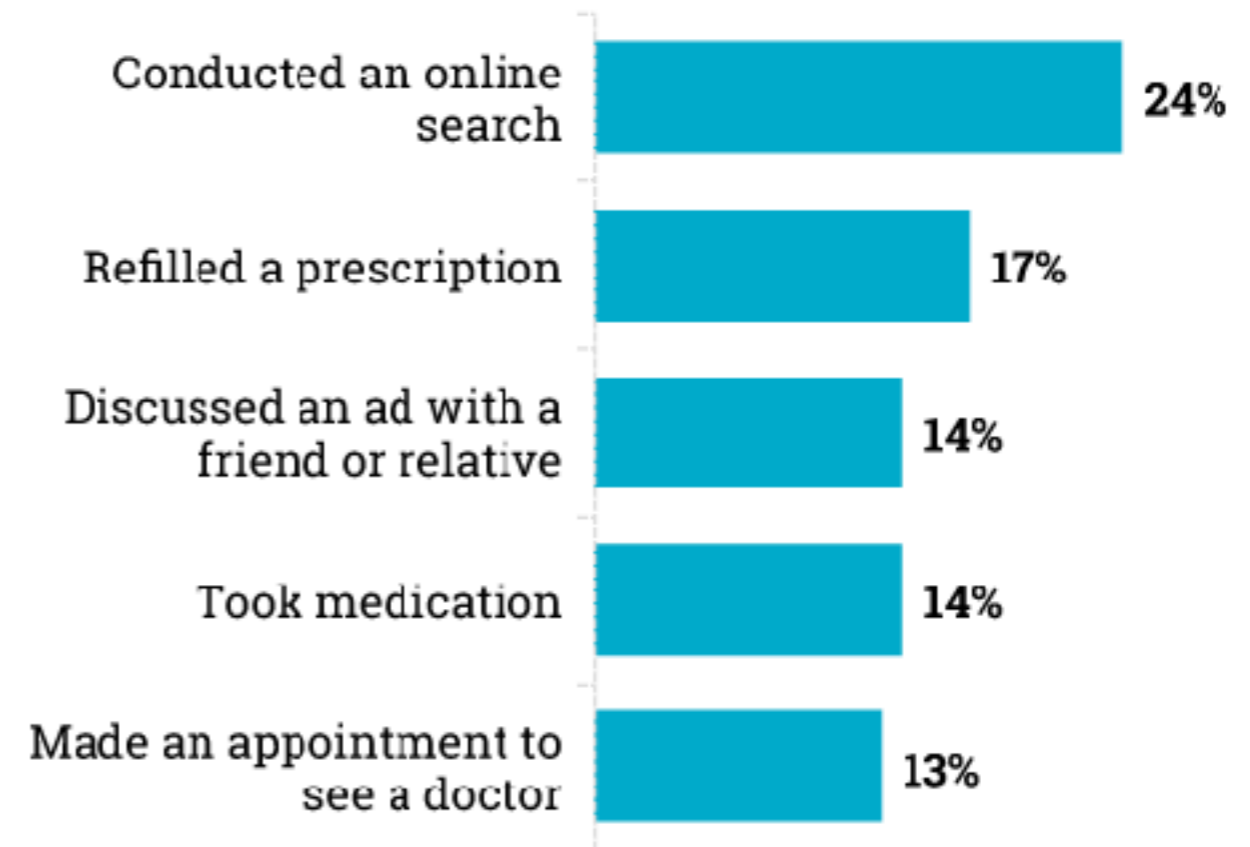
- Conducted an online search: 24%
- Refilled a prescription: 17%
- Discussed an ad with a friend or relative: 14%
- Took medication: 14%
- Made an appointment to see a doctor: 13%

https://www.marketingcharts.com/charts/actions-taken-response-healthcare-advertising/attachment/kantarmedia-actions-in-response-to-healthcare-ads-july2018

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Consumers will look for cheap, safe ways to self-treat their conditions

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Healthcare as % of Household Spending = 7% vs. 5% (1972)... Fastest Relative % Grower

Relative Household Spending

Annual Spend, USA

Shelter, Taxes, Transportation, Food, Household Operations, Pensions* + Insurance, **Healthcare** (5%, 5%, 7%), Entertainment, Apparel, Other**

| Total Expenditure | 1972 $11K | 1990 $31K | 2017 $68K |

Source: USA Bureau of Labor Statistics (BLS), Consumer Expenditure Survey. *Pensions + Insurance includes deductions for private retirement accounts, social security, and life insurance. **Other includes education and miscellaneous other expenses. Note: Results based on Surveys of American Urban & Rural Households (Families & Single Consumers). 1972 data reflects non-annual survey conducted by BLS + Census Bureau to adjust CPI. 1990 and 2017 Data Based on Annual Survey performed by BLS + Census Bureau. Healthcare costs include insurance, drugs, out-of-pocket medical expenses, etc. 2017 = mid-year figures.

KLEINER PERKINS
2018
INTERNET TRENDS

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Americans' paychecks are bigger than 40 years ago, but their purchasing power has hardly budged

Average hourly wages in the U.S., seasonally adjusted
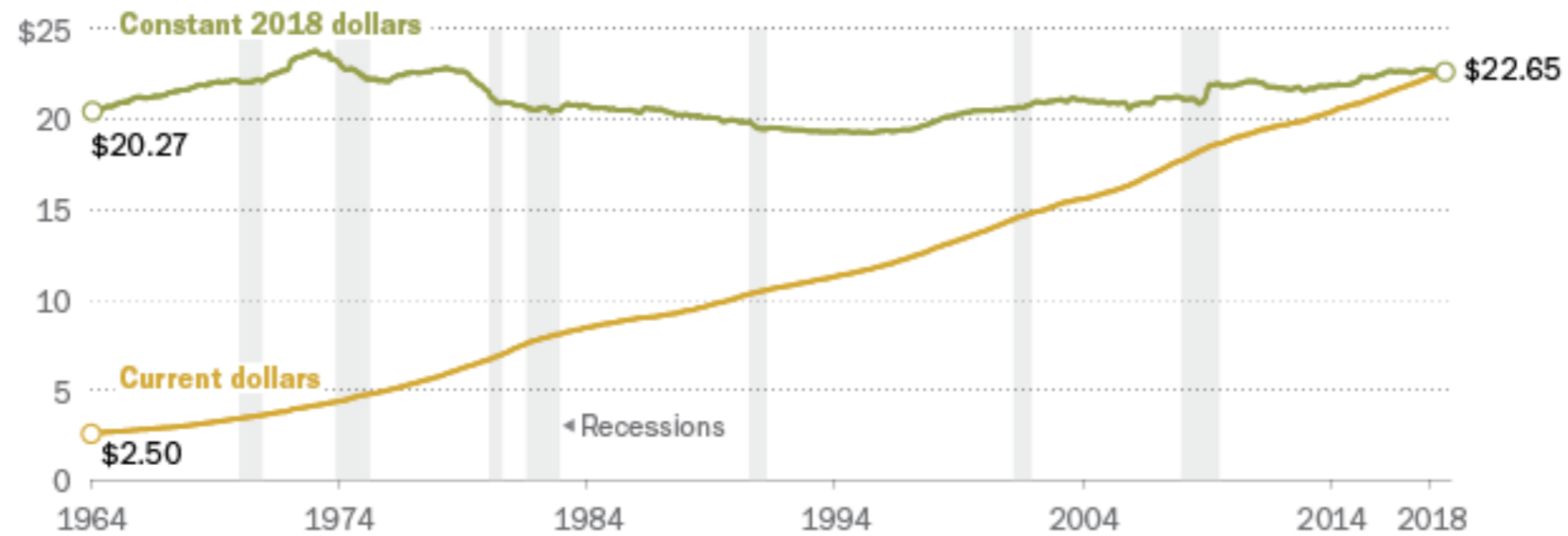
Note: Data for wages of production and non-supervisory employees on private non-farm payrolls. "Constant 2018 dollars" describes wages adjusted for inflation. "Current dollars" describes wages reported in the value of the currency when received. "Purchasing power" refers to the amount of goods or services that can be bought per unit of currency.
Source: U.S. Bureau of Labor Statistics.

PEW RESEARCH CENTER

http://www.pewresearch.org/fact-tank/2018/08/07/for-most-us-workers-real-wages-have-barely-budged-for-decades/

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Screenshot from google trends report for *meditation*
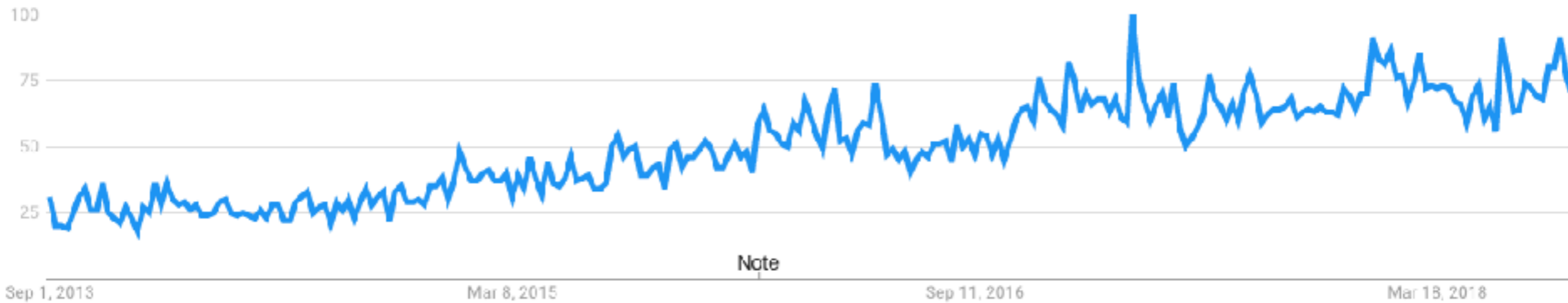
Screenshot from google trends report for *headspace* (a brand of meditation app)

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Self-Care Apps Added to App Stores

Year	iOS	Android
2014	634	1109
2015	728	1096
2016	1251	1621
2017	965	2229
2018 (Projected)	804	2640

● iOS ● Android

(x-axis: 0, 500, 1,000, 1,500, 2,000, 2,500, 3,000)

https://techcrunch.com/2018/04/02/self-care-apps-are-booming/

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https://www.youtube.com/watch?v=gvj6voiH5S0
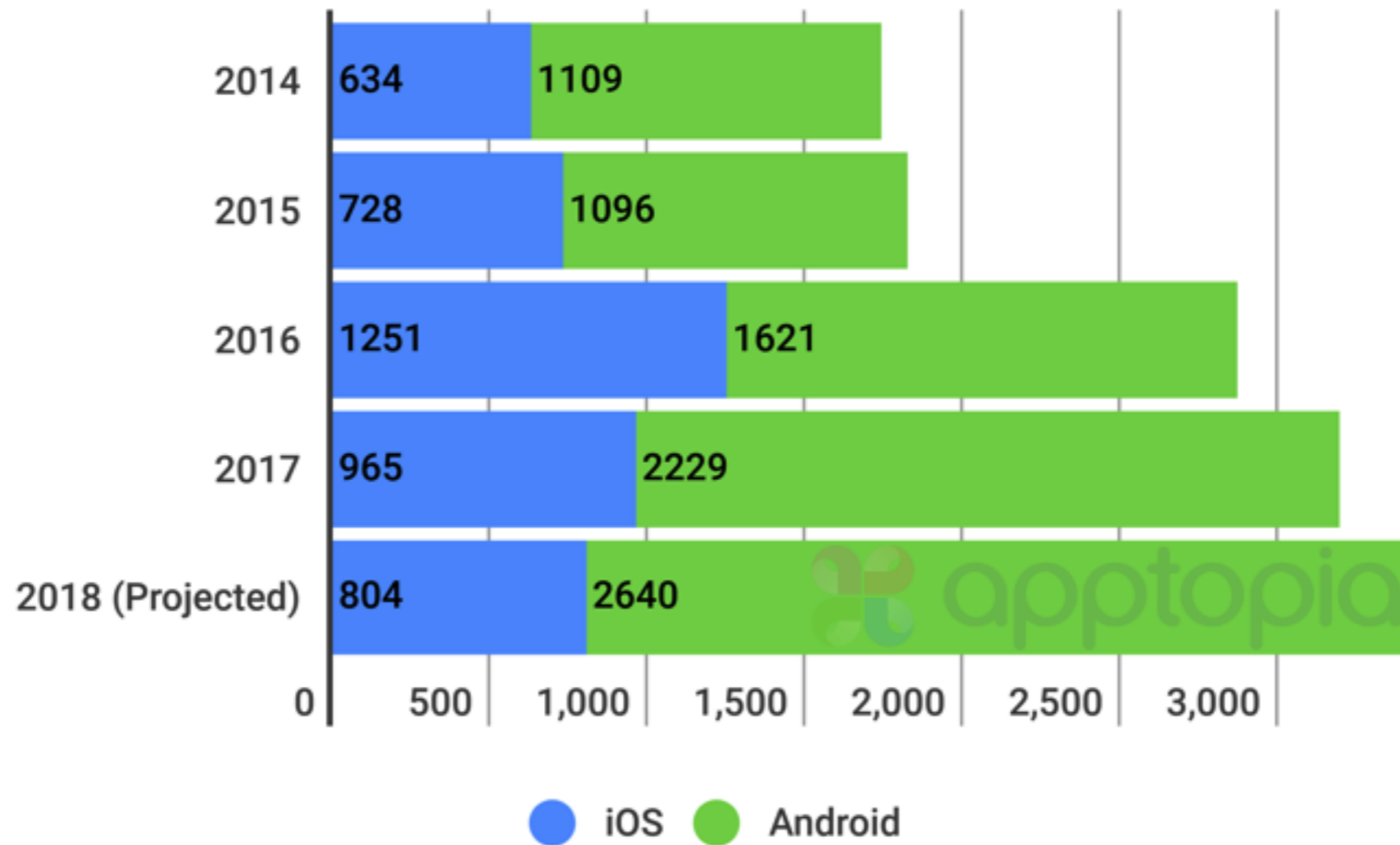
Google Medic Update: Google's Core Search Update Had Big Impact On Health/Medical Sites

Aug 8, 2018 • 8:02 am | 💬 (163)
by Barry Schwartz 🔷 🔲 | Filed Under Google PageRank & Algorithm Updates

Top 30 Losers (Jul 31-Aug 7 % Change)

Subdomain	7-Day %	Max %	Share
www.prevention.com	-66.9%	-59.3%	0.02%
www.verywellfamily.com	-63.6%	-54.6%	0.01%
www.travelocity.com	-63.4%	-56.7%	0.03%
www.thespruceeats.com	-62.0%	-58.9%	0.02%
www.livestrong.com	-60.2%	-53.5%	0.02%
lilluna.com	-56.9%	-47.3%	0.02%
www.verywellhealth.com	-52.3%	201.5%	0.01%
www.seriouseats.com	-50.5%	-38.7%	0.02%
draxe.com	-45.9%	-37.9%	0.11%
www.dealsplus.com	-45.7%	-28.2%	0.02%
www.verywellfit.com	-45.5%	-30.9%	0.04%
www.century21.com	-44.8%	-42.5%	0.04%
www.pillsbury.com	-44.4%	-33.6%	0.03%
play.google.com	-44.3%	-38.6%	0.16%
www.thebalancecareers.com	-41.3%	-38.0%	0.04%
www.bettycrocker.com	-37.9%	-31.8%	0.09%
www.organicfacts.net	-37.3%	-28.4%	0.03%
www.coolmath-games.com	-36.0%	-30.5%	0.02%
www.thekitchn.com	-35.4%	-30.8%	0.05%
themortgagereports.com	-34.0%	-19.0%	0.02%
www.minted.com	-33.1%	-29.4%	0.04%
slickdeals.net	-32.7%	-12.4%	0.02%
www.ign.com	-31.6%	-5.1%	0.02%
fortune.com	-31.4%	-10.9%	0.02%
www.charlotterusse.com	-31.0%	-18.4%	0.03%
www.buzzfeed.com	-29.8%	-20.4%	0.04%
www.androidcentral.com	-29.6%	-14.7%	0.03%
www.trustedreviews.com	-29.2%	-20.6%	0.02%
www.menshealth.com	-29.0%	1.7%	0.03%
www.momjunction.com	-28.2%	-19.5%	0.03%

SMITH + JONES

You'll have higher expectations for digital creative

SMITH + JONES

Latest in Gear

Korg's Electribe Wave app

Google purged 3.2 billion bad ads from the web last year

That's twice as many as in 2016.

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Every second 1 million minutes of video content crosses the internet

https://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/complete-white-paper-c11-481360.html

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$79^b

ad dollars

spent per year on social advertising by 2021

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Global digital ad spending beat TV for the first time in 2017

Digital

TV

$300B

$250B

$200B

$150B

$100B

$50B

$0B

2000 2002 2004 2006 2008 2010 2012 2014 2016 2018 2020 2022
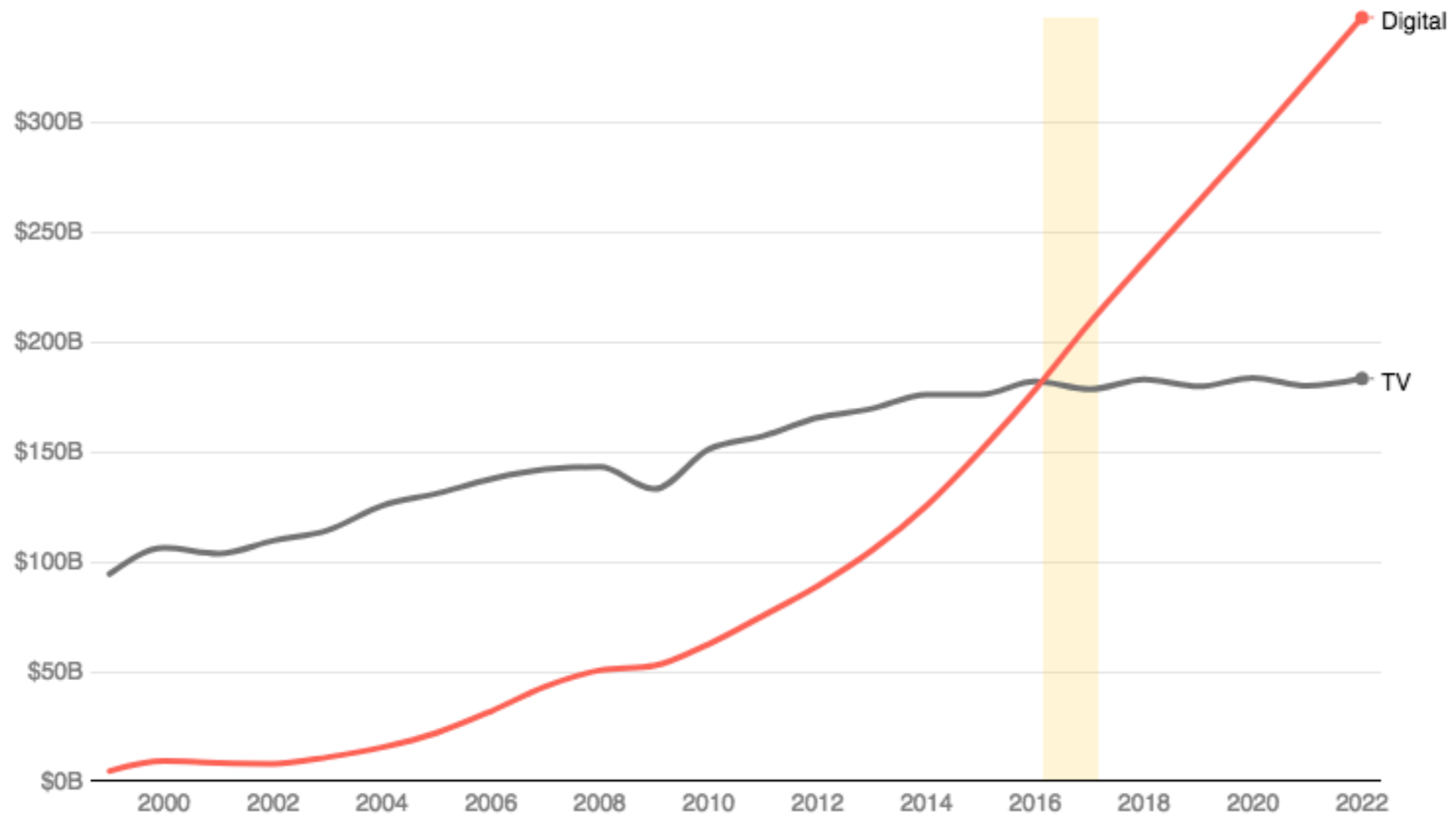
Source: MAGNA I Data for 2017 and beyond are forecasts • Created with Datawrapper

https://www.recode.net/2017/12/4/16733460/2017-digital-ad-spend-advertising-beat-tv

SMITH + JONES

TREND

You'll move beyond website traffic

SMITH + JONES

Screenshots from google.com results for flu

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Share of Site Visits: Search vs. Social
December 2011 - December 2017
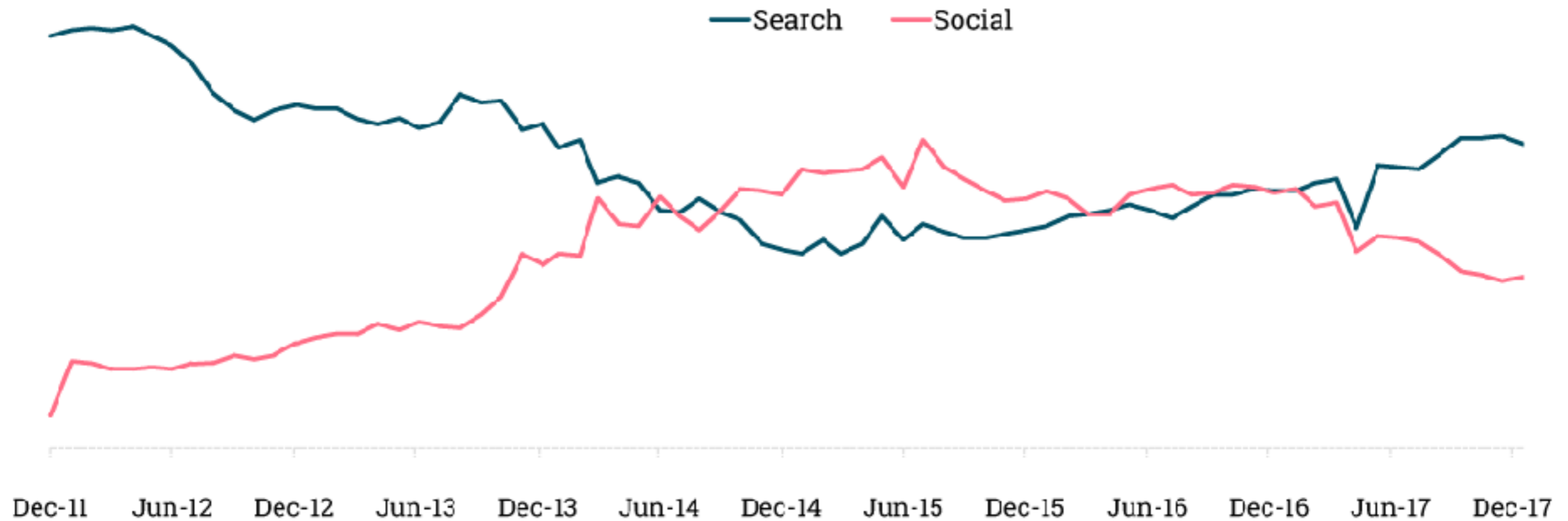
marketing charts

— Search   — Social

Dec-11   Jun-12   Dec-12   Jun-13   Dec-13   Jun-14   Dec-14   Jun-15   Dec-15   Jun-16   Dec-16   Jun-17   Dec-17

https://www.marketingcharts.com/digital/seo-82522/attachment/shareaholic-search-v-social-share-of-site-visits-mar2018

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US Household Smart Speaker Ownership 2016-2020

94.2 million devices

2020 75% 125.65

2019

2018

Forecasted Growth

2017

2016 7% 118.48

Total US Households (millions)

voicebot.ai™
ALL THINGS VOICE WEB
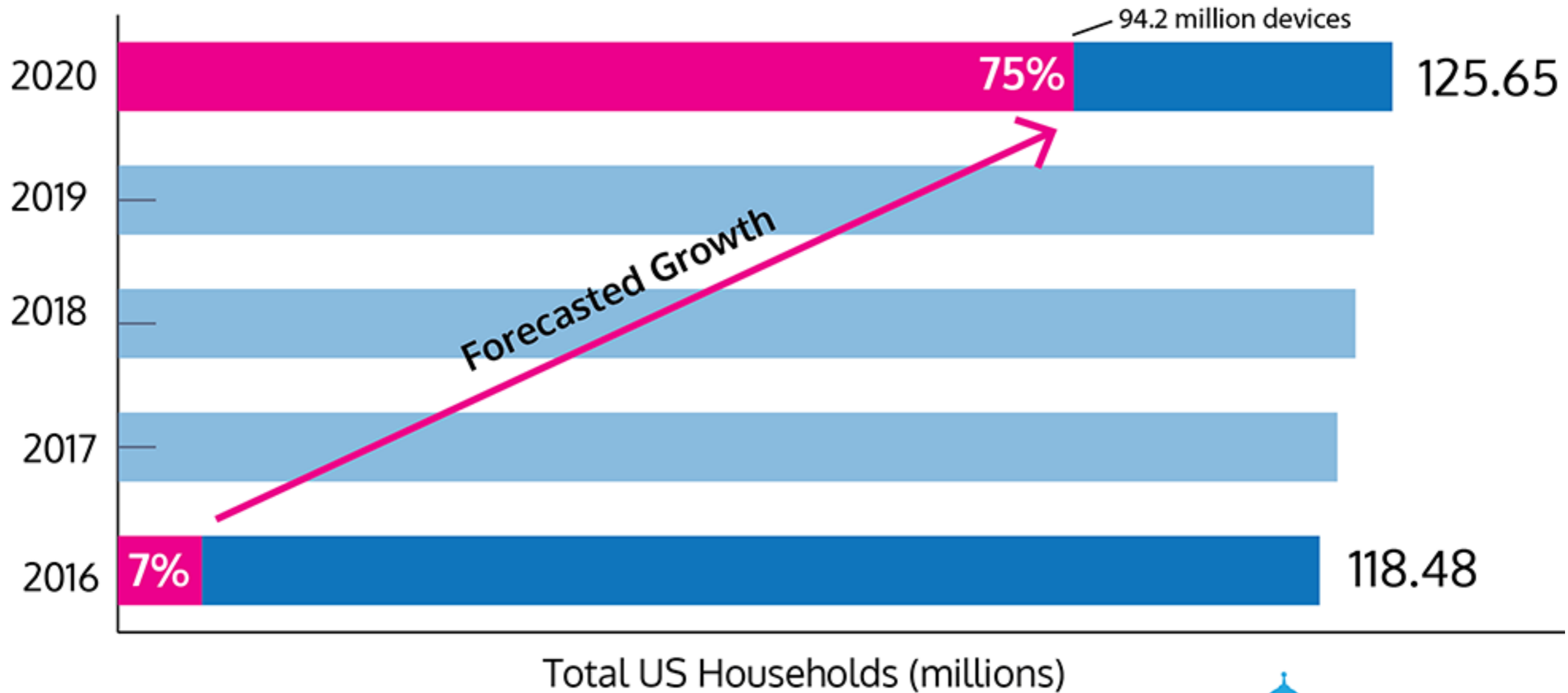
Source: US Census, Gartner, Edison Research, Voicebot.ai

https://voicebot.ai/2017/04/14/gartner-predicts-75-us-households-will-smart-speakers-2020/

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