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Advertising aims to fill hospital beds

By Susan Buck
special writer

Five years ago, Sunrise Hospital in Las Vegas shocked the public by advertising cruises for patients who had specific procedures performed at Sunrise.

The offer was considered blasphemous and unethical.

Hospitals in this area have been more modest in their approach, but they are hitting the drawing boards to produce advertising strategies designed to promote services and lure customers.

Of 41 hospitals answering a Southeast Michigan Hospital Council (SEMC) survey, 32 said they advertise. Of these advertising, 21 of 26 reported spending a total \$1.8 million annually on advertising. Survey responses were anonymous, but one hospital listed spending \$500,000, and four others more than \$100,000 each year. SEMC is an 80-member trade association based in Southfield.

With the emergence of alternatives to traditional health insurance plans like health maintenance organizations (HMOs) and preferred provider organizations (PPOs), hospitals are placing advertising higher on their list of priorities.

"Hospitals are becoming more a business because of changes in the economic reimbursement environment," said Donald Potter, president of Southeast Michigan Hospital Council. "What we have now developed is an economic system of delivery that works like any other capitalist system."

THE SURVEY, the first for the three-year-old SEMC, is the brainchild of Jane Eckels, SEMC's director of public relations. Eckels, 38, a White Lake Township resident, is a former Oakland Press reporter who also worked in public relations at Henry Ford Hospital before joining SEMC.

"I felt it (the survey) was important because advertising is such a concrete emerging trend. I tried to put a finger on the pulse of the industry," Eckels said. "National research showed that five years ago five major hospitals had marketing people in them. Now most hospitals have a marketing person."

When a hospital decides to advertise, it is usually the public relations department alone or with help from planning or marketing resource people, which is responsible for advertising programs. But 54 percent of those surveyed said they are presently or planning to use an advertising agency mainly for copy, design work, production, placement and general consulting.

Seventy-eight percent of the 41 hospitals responding to the survey said that they were involved in advertising. Another 17 percent who do not advertise plan to begin within the next year.

The most popular media used by hospitals to sell their services and to establish an institutional image are newspapers and direct mail, followed by radio, magazines and TV. Print is the most economically available method, Eckels said.

"Frequency and reach are the two measurements that determine how effective advertising is — how often it appears and how many people it reaches."

Henry Ford, Sinai and Harper-Grace are hospitals that do a lot of specialty work and which are heavy print users, Eckels said.

Fifty-three percent of the reporting hospitals said advertising was part of an overall institutional marketing plan while 37 percent of the hospitals called advertising an occasional effort. Many of those who advertise occasionally said a comprehensive advertising strategy is or will be developed.

Seventy-nine percent said they had or will con-

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— Donald Potter
president of Southeast
Michigan Hospital Council

duct some research or testing before beginning an advertising program. The most frequently mentioned market research activities include focus groups, general awareness, and telephone, patient and physician surveys.

WITH INCREASED health care costs and increased use of outpatient services at major Detroit hospitals' satellite branches, consumers are taking a hard look at the services a hospital provides rather than accepting the referral advice of their physician, Potter, 38, a Plymouth resident, said.

"It's a buyers' market. We have more physicians than we need and more hospital capacity than we need," said Donald Potter, president of Southeast Michigan Hospital Council. "Occupancy rates in southeastern Michigan hospitals have been reduced 10 percent in the last five years."

Today, 62 percent of patients have some say in which hospital they are admitted, Eckels said.

"Patients will physician shop," she said. "What they are saying to their physicians is, 'I know you have privileges at more than one hospital. I want to go to hospital X instead of Y.' Consumers are no longer the complacent, 'Whatever you say, doctor. You're the boss.'"

Hospitals are keenly aware of consumer "comparison shopping."

"How did referrals go in the past? Well, that's cynicism and not necessarily in the negative sense," Potter said. "The family practitioner doesn't know every surgeon in town, but he will know someone he went to school with or who he has as members of the country club where he plays golf."

MOST HOSPITALS named more than one reason for deciding to advertise. The largest number of respondents (38) named promotion of specific services as their number-one aim followed by a desire to establish an institutional image, to increase inpatient use, as a response to competing hospitals' advertising, and because of a board of trustees directive.

And how do they measure effectiveness? By use of advertised services along with patient and general awareness surveys. And they believe their advertising is favorably accepted by employees, physicians and the public based on improved employee morale and favorable comments from patients and employees.

Twenty-three of 39 respondents said that direct product advertising of services like urgent care and obstetrics is more effective than institutional positioning that stresses "first," "only," "biggest" and "best" names. Recognition and retention of the hospital's name. And 23 of 38 hospitals said advertising appeals that emphasize touching or emotional aspects are more successful than those that deal with technical facts or testimonials and endorsements.

Of 41 reporting hospitals, 11 had a 500-plus bed capacity, 11 had 250-499, 12 had 100-249 and seven had less than 99 beds.

When seconds count.

Providence Hospital's Neonatal Intensive Care Unit.

Sometimes newborns demand special medical care. For direction, there is no answer. Providence Hospital's Neonatal Intensive Care Unit has the advanced medical equipment & critically ill newborns. And all treatment is given by the medical and nursing professionals who make up our level III Neonatal Intensive Care Unit. People with the experience and commitment to care for newborns with special problems.

Providence Hospital's Neonatal Intensive Care Unit. We have more than 100 beds. But it's reassuring to know it's there when seconds count. Ask your doctor about Providence, or call 421-3399 for additional information.

Unique Owners in Maternal and Infant Care.
PROVIDENCE HOSPITAL

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Hospitals fret over competition

By Larry O'Connor
staff writer

With the emergence of health-care advertising, some local hospitals are jumping on the bandwagon. Some are considering it, but others oppose the Madison Avenue approach.

And while most area hospital spokespersons freely admit whether they advertise, they are mum on the number of dollars spent.

"We've been influenced by the competitive movement," said St. Mary Hospital spokeswoman Audrey McConackie, whose

hospital didn't have a public relations department until 18 months ago. "You have to get into the ball game."

William Beaumont Hospital in Royal Oak doesn't have an advertising plan.

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Replacement lenses sold at pharmacies

By Larry O'Connor
staff writer

Pharmacy owners Abe Seiderman and Bob Leal want their customers to see things more clearly.

A soft contact-lens replacement service at both of their stores makes it possible and affordable. The pair, who own Mendel's Pharmacy on Seven Mile between Beech Daly and Inkster in Redford, and Leal's Pharmacy on 12 Mile and Ryan in Warren, consider themselves pioneers in Michigan in providing replacement contact lenses.

All people need is their prescription from their optometrist to order lenses. The process takes three to five days.

The store doesn't provide fitting or sizing. They order the lens(es) from the manufacturer and return them, unopened in the vials, to the customer.

The advantage of going to a pharmacy, according to Seiderman, is the cost. He said the lenses at their stores are 35-45 percent cheaper than at full-service contact lens centers.

BUT SOME optometrists are not exactly enthusiastic about the new service.

"My feeling is that I really don't favor it," said Dr. Susan Hahn, a Southfield optometrist who is the president of the Metropolitan Detroit Optometric Society. "Mainly, because it's a good idea to have the lens checked while it is on the eye when it's picked up. Sometimes the wrong type of lens is written on the bottle or there is a defect and they have to be returned."

Complaints made by optometrists don't faze Seiderman, who said most optometrists don't fit replacement lenses either. And, he adds, sometimes their lenses are sent through the mail.

If there is a problem with a lens, Seiderman said he directs persons to their optometrists.

Seiderman doesn't believe the claim that people will avoid eye checkups holds water.

"Actually, this all started because of the opposite happening," he said. "People were wearing torn or bad lenses because they couldn't afford to buy replacements. We helped make that affordable."

SEIDERMAN said that it was an optometrist, Norman Glus, who started the service in the first place.

Liability is another concern. Both Seiderman and Leal said they're no more liable than they are dispensing medication.

Interest has been high for the service. It has boosted business at Mendel's nine-month-old store, which had a sluggish start.

One obstacle has been some optometrists' reluctance to relinquish the patient's prescription. Michigan law says they don't have to.

"This makes people mad because they feel they paid for it," Seiderman said. "Most (optometrists) give them up though."

Both Seiderman and Leal would like to see the service become statewide as in Ohio. In fact, it was a trip to the Buckeye state that sold Leal on the idea.



Dr. W.P. Richards (left) consults with TSI president Tim Fino on electronic prescriptions.

Doctors, druggists join computer age

By Larry O'Connor
staff writer

With Transcript Services' system of computerized prescriptions, pharmacists no longer need to take a course in Egyptian hieroglyphics.

More legible prescriptions are just one of the features of the new system being developed by the Bloomfield Hills-based company. The system, the first of its kind known in the country, is not only designed for doctor-pharmacist convenience but as a way to curb prescription-drug fraud caused by altered or forged prescriptions.

For the patient, the wait for prescriptions is eliminated. And, with clearer prescriptions, the chances of error (wrong type of medication, wrong dosage) are greatly reduced.

The service, in its infancy, establishes computerized links between medical offices and pharmacies with equipment placed on a lease arrangement. Bloomfield Hills physician, Dr. Wilson P. Richards, and Square-Wood Pharmacy, at Woodward and Square Lake Roads, are the first users of the electronic-transmitted system. Another physicians group in Taylor is in the process of obtaining the system.

"I THINK it's great," Richards said. "I recent having to write prescriptions manually now."

The patient receives a copy of the prescription from the doctor, which is also transmitted by the physician to the pharmacy via computer. Usually,

the prescription is ready by the time the patient arrives at the drugstore from the doctor's office.

The system is programmed with prescription types and patient demographics. Richards said 500 patients are entered on his system with 4,000 prescription types.

Richards, who's also the chairman of the Oakland County Prescription Drug Abuse Task Force, sees the system as a deterrent to prescription fraud, which he said is prevalent in Michigan. It would make prescription blanks, which are often stolen from doctor's offices, obsolete, thus eliminating false prescriptions. New Detroit, the Federal Drug Enforcement Administration, Macomb and Wayne County have been contacted by the task force about the new system.

According to Richards, 4 percent of the population living in southeast Michigan consumes 31 percent of the codeine and 36 percent of amphetamines in the state.

"That's a helluva lot of fat and a helluva lot of pain," Richards said.

KATHLEEN CANTLON, director of sales at Transcript Services, said it took three years to develop the system. The company has targeted the tri-county area for expansion. It leases the equipment to either physician or pharmacist and charges patients a \$10-a-year subscription fee for the service.

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