



# Patient loyalty: It's up for grabs

Today's patients are retail-savvy consumers.  
Do you know what it takes to win their loyalty?

By Matthew Collier and Leslie Meyer Basham



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Excellent experience has long been top-of-mind for executives in consumer-driven businesses like retail and banking, but it's been a much lower priority in healthcare; perhaps not surprisingly. Patient care, after all, is the healthcare sector's core concern. And many providers have assumed that as long as they offer excellent quality of care, patient loyalty will naturally follow.

In a digital and consumerist age, however, quality of experience increasingly drives loyalty—for just about every type of consumer business. Accenture research shows that today's consumers have come to expect speed to access, responsiveness and convenient interactions with all companies they do business with—including their healthcare provider<sup>1</sup>.

Just as in other industries, healthcare consumers will switch if they don't get the experience they want. Yet, as research also indicates, give them a superior experience, and plenty would actually pay more for it<sup>1</sup>.

Since experience excellence plainly helps create the repeat patient "customers" that sustain profitable growth, healthcare providers urgently need to catch up on the loyalty learning curve. Better yet, they need to get ahead of it. First, though, they need to understand the nature and scale of the consumer loyalty challenge.

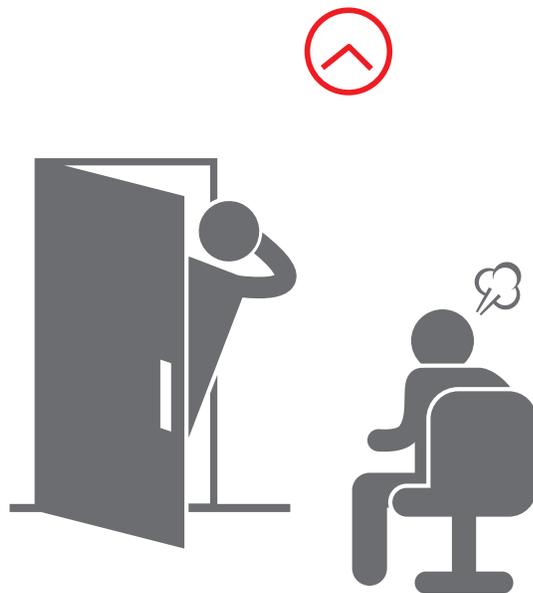
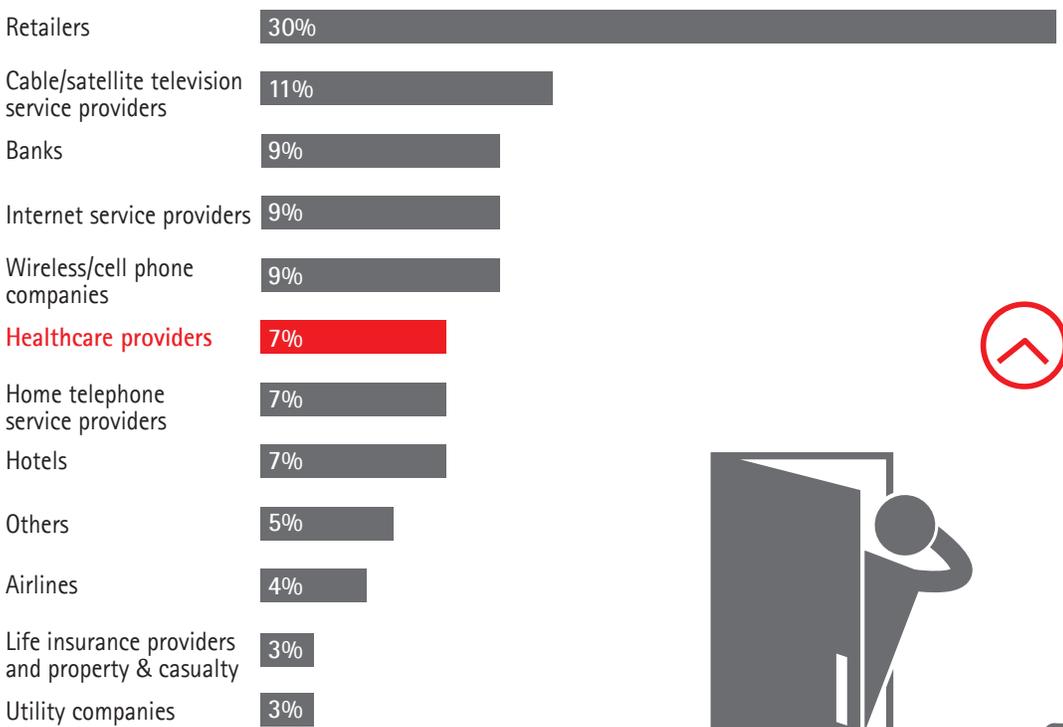
# Loyalty is up for grabs

Service-driven switching rates in retail still dwarf those in other industries, but the trend for healthcare is already clear: consumer loyalty is up for grabs.

Indeed, consumers are as likely to switch doctors or hospitals as hotels if they don't get the service experience they want, and they are more likely to dump a doctor than abandon an airline due to poor service<sup>2</sup> (Figure 1).

**Figure 1 | Health consumer loyalty is in jeopardy**

Consumers are as likely to switch healthcare providers as hotels if service is poor.



# Consumer expectations are high...as are the rewards for meeting them

Additional research confirms the correlation between the customer service experience and patient loyalty, and two findings in particular underscore it:

## Consumers want responsiveness and convenience

Nearly two in three consumers would switch healthcare providers for the ability to get an appointment quickly when they need it. More than half would also switch for the ability to get an appointment at a convenient location. And making it easy for consumers to schedule their preferred appointment—by offering simple online scheduling, or personalized, virtual concierge programs, for example—is just as important.

Healthcare providers have the opportunity to demonstrate their commitment to enhancing responsiveness and convenience by being responsive to the financial considerations that also loom large for consumers. Nearly half would switch to receive a better understanding of how much their care will cost at the time of their appointment, for instance, or to understand their bill more easily and pay using their preferred method (Figure 2)<sup>3,4</sup>. Since high-deductible health plans mean that more consumers are paying out-of-pocket for their healthcare, such considerations are becoming increasingly important.

Figure 2 | Consumers want responsiveness and convenience

Percent of consumers who indicated they would switch providers for...

Source: 2014 Consumer Health Study



## Consumers will pay more for the services they value

Even so, half of consumers say they would pay more for the experiences they really value: weekend or after-hours appointments, for example, or to have more personal time with their doctor or specialist. One in five would also pay more if they could see a doctor virtually; and just as many say they would pay more to be notified when it's time for preventive or follow-up care (Figure 3)<sup>5</sup>.

### Figure 3 | Consumers will pay more for the services they value

Consumers who indicated they would pay more for select services<sup>2</sup>...

Source: 2014 Consumer Health Study



1 of 2 would pay more for **weekend and/or after hour appointments**

1 of 2 would pay more for **more personal time** with their doctor and/or specialist



1 of 5 would pay more for the ability to see a **doctor virtually**

1 of 5 would pay more for **notifications** when preventative or follow-up care is needed

# Learning from the leaders

Healthcare providers could learn some valuable lessons about the relationship between customer loyalty and financial outcomes from companies in other industries.

Between 2010 and 2014, US companies that deliver a superior experience (as defined by the Temkin Experience Ratings) outperformed the S&P 500 index by a factor of nearly two<sup>6</sup>. And additional research has confirmed a strong correlation between superior patient experience and higher hospital margins<sup>7</sup>.

Six key patient engagement best practices can improve patient loyalty.

## Put patients first

Use what you know about the patient to create experiences people appreciate.

## Inspire your people

Empower your people to do great things.

## Build trust and loyalty

Demonstrate that your first priority is your patient's health and welfare.

## Embed digital everywhere

Recognize that you must meet your patients wherever they are and wherever they go.

## Make it easy

Guide patients to the right doctors to get the care they need when and where they need it, and help them understand how much care will cost in advance.

## Continuously innovate

Recognize the future of healthcare extends beyond the four walls of a traditional care setting.



## Methodology

Accenture reviewed the findings from our 2014 Consumer Health Study and our 2014 Global Consumer Pulse Research to understand consumer behavior, preferences, and attitudes as they pertain to healthcare in the US. Survey responses were analyzed across a variety of demographic segments, including respondent geography, gender and age group.

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## Endnotes

1 Global Consumer Pulse Research, Accenture, January, 2015

2 Ibid

3 Ibid

4 2014 Accenture Healthcare Consumer Survey

5 Ibid

6 2014 Temkin Experience Ratings; Accenture analysis

7 *Patient Engagement: Happy Patients, Healthy Margins*, Accenture, October, 2015

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## Accenture's 2014 Consumer Health Study

Accenture's 2014 Consumer Health Study is an online survey of 7,254 U.S. residents, 18 years and older, conducted in November 2014. The survey included both insured and uninsured healthcare consumers. The research aims to understand consumer behavior and preference with regard to healthcare shopping and switching, utilization and willingness to pay. The analysis applies advanced analytics to normalize the sample population across age, gender, region, income and insurance type.

## 10th Annual Global Consumer Pulse Research

The Accenture Global Consumer Pulse Research is an annual research project that assesses consumer attitudes toward the customer experience (including marketing, sales and customer service practices) and consumers' behaviors in response to companies' practices. In 2014 Accenture conducted an online survey of 23,600+ end consumers in 33 countries, asking them to evaluate 10 industry sectors (up to four industries per respondent). This study focuses on findings for US healthcare.

## "Happy Patients, Healthy Margins" Research

The analysis used Centers for Medicare and Medicaid Services (CMS) Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) performance scores (2008-2013) as a proxy for the hospital consumer experience, and CMS-reported hospital margins as a proxy for hospital financial performance. All CMS data was obtained through Billian's Healthdata. The correlation between the overall rating and the financial margin was then stratified by hospital type and HCAHPS sub-factors to gauge whether the positive correlation was associated with particular factors.