Fit for tomorrow
As healthcare consumers become more digitally intense, providers need to raise their game.

Matthew Collier and Leslie Basham
Some 40 percent of US healthcare consumers now use digital technologies in all aspects of their daily lives, or strive to do so. They expect this digital, convenient, customized, non-stop experience in healthcare. And they won’t hesitate to switch providers if they find a better service elsewhere.

For an industry that still lags in digital sophistication, meeting these consumer expectations is a big ask. But Accenture Strategy research shows that meeting the expectations of digitally intense consumers (see *Digital intensity: a definition*) can deliver significant rewards.

Once satisfied, digitally intense patients are not only more loyal; they’re also more valuable. Indeed, providing them with a superior customer experience can boost hospital margins by as much as 50 percent. (For more information, please refer to Patient Engagement: Happy Patients, Healthy Margins, Accenture 2015.)

**Digital intensity: a definition**

Every consumer is now a digital consumer, yet they move at different speeds and with different needs.
Until now, many healthcare providers have not funded an improved customer experience. Instead they have tended to invest in cost cutting. Furthermore, when they have invested in customers, they’ve tended to target those who still rely largely on traditional channels—leaving a gap that new, digitally agile entrants are happily trying to fill (see Digital poachers).

Plainly, providers need to raise their game—and fast. They should ensure that their own digital intensity aligns with that of each type of digital customer. And that starts by developing a deeper understanding of the digital intensity of customers overall: how they make decisions, who or what influences those decisions, how their behaviors have changed over time—and how they will continue to do so.9

An outpatient game

Between 2010 and 2014 inpatient admissions to US hospitals dropped by 6 percent while outpatient admissions rose by 6 percent.10 In short, today’s healthcare provider game is increasingly an outpatient game. And in an outpatient setting, people behave more like retail shoppers. They are more digitally intense, they value choice, and they will shop around to find it. In addition, they have very clear priorities.

Digitally intense healthcare consumers are almost 20 percent more likely than traditional customers to prioritize convenience. They are also significantly more likely to demand a superior customer experience and access to digital service options.11 In addition, as in industries like retail and financial services, when it comes to trusted sources of information, the digitally intense are more inclined to trust online reviews and the views of their peers than those of professionals.12

Digital poachers

They might not yet be threatening the core business (or profits) of the big providers, but the new digital entrants are nevertheless offering services that digitally intense consumers increasingly seek.

Consider, for example:

• **ZocDoc’s** online engagement platform, which enables patients to schedule appointments with medical specialists of their choice.3

• **American Well**, which delivers on-demand, virtual healthcare anytime and from almost anywhere via mobile devices, secure video and phone.4

• **UberHEALTH**, which delivers wellness packs and flu shots to consumer’s front door.5

• **Apple’s health app**, which allows consumers to self-monitor their fitness levels and to store their medical records on their phone.6

• **One Medical**, which provides 24/7 concierge care.7

• **Pager’s health app**, which offers personal care via a chatroom.8
Age is not decisive

Healthcare organizations have tended to think of their customers as much the same, or divided them into generational segments. But the demographic profile of healthcare consumers is complex—and when it comes to digital intensity, age is not decisive.

True, younger people (18-34 years) account for 55 percent of “experimental” and “digitally savvy” healthcare consumers; but that still leaves 45 percent of digitally intense healthcare consumer who are 35+.13 Expectations and behaviors are much more meaningful guides to digital intensity than age—and both are changing fast.

• Digitally intense healthcare consumers shop around more aggressively than more traditional consumers, and they will switch providers if their expectations (particularly around price and digital service options) aren’t met.

• More than twice as many digitally intense consumers switched doctors in 2015, for instance. Six times as many prioritized price when changing providers, while almost 10 times as many cited digital or online service options that failed to meet their needs.

Small wonder then that 62 percent of digitally intense consumers plan to continue shopping around for healthcare services, versus just 19 percent of the less digital.14

Understanding is key

Give them what they want across convenience, experience and digital capabilities, and systems will improve stickiness with digitally intense consumers. Indeed, once their needs are met, they tend to be more loyal to their provider than more traditional consumers: 67 percent vs. 27 percent. They are also more likely to buy more products and services from providers, as well as more likely to recommend their provider to others.15
Providing the right experiences for customers at different levels of digital intensity is clearly critical. And that hinges on gaining a deep understanding of expectations and requirements, regardless of current digital intensity. But how can providers build the capabilities that meet those expectations and requirements, now and in the future, both online and off?

The following considerations will help create the right positioning:

• **See your patients for who they are, not how old they are.** Systems that discern the needs and attitudes of consumers with clarity will be positioned to win in tomorrow’s healthcare market. Understanding consumers’ digital intensity is a fundamental requirement.

• **Recognize that for today’s consumers the digital and physical worlds are inseparable.** The most innovative systems take digital beyond patient capture. They blend digital into their physical locations and care practices. Cases in point: hospital wayfinding; seamless transfer of medical records to patients’ devices; instant virtual consultations/follow-ups.

• **Don’t bandage the past—build for tomorrow.** Consistency of experience contributes much more than a great first impression. Digital consumers demand excellence throughout their care journey. This is particularly important as systems reimagine care delivery to focus on long-term population health and decreased total cost of care. Cost, convenience and a seamless experience matter most to consumers. Invest in all such capabilities—and start now.

Healthcare consumers overall are steadily becoming more digitally intense. Understanding them in detail is key not only to engaging successfully with them, but also to retaining the loyalty of the most valuable among them—a prize well worth striving for.

Once their needs are met, 67% of digitally intense consumers claimed to be extremely loyal to their providers compared to 27% of traditional consumers.