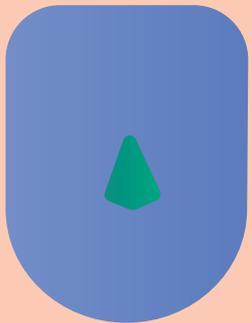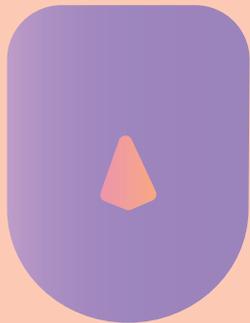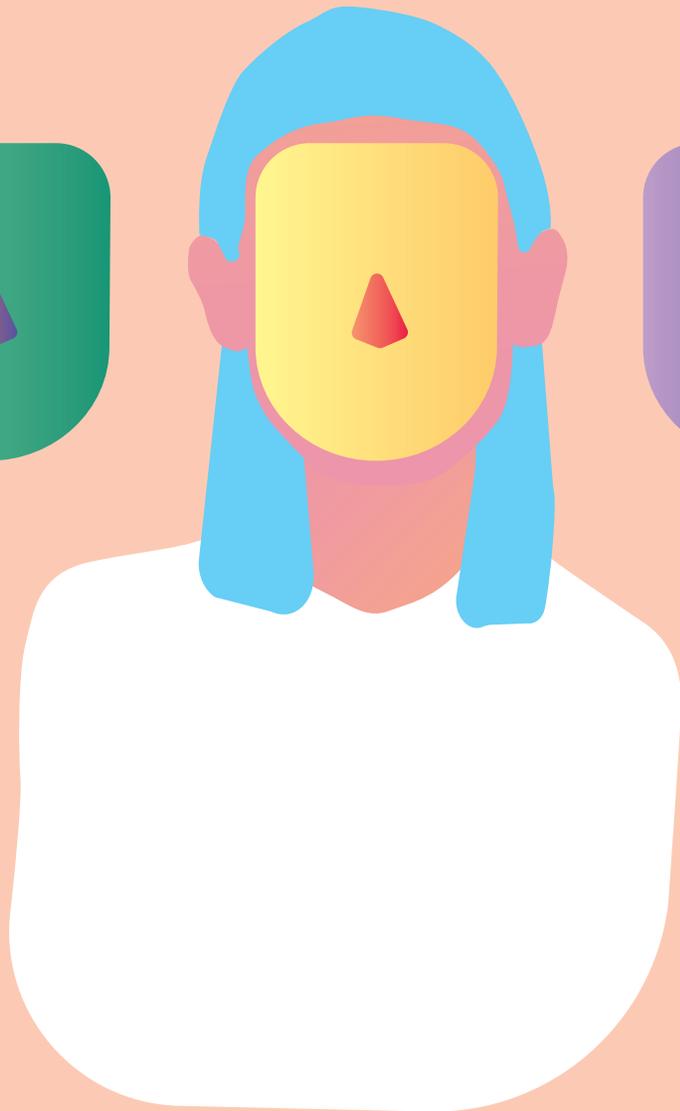# Personalization vs. Privacy

How personal is too personal in healthcare marketing?

A 2019 report on American consumers, their quest for personalized health care and their concerns about personal data.

LAUGHLIN CONSTABLE

**LC Healthcare Quality PULSE 2019,
a national consumer survey conducted
annually by Laughlin Constable**

Contents

The many personalities of personalization

Technology innovators are reshaping people's expectations: today's consumers welcome and expect personalized, device-enabled, intuitive, 24/7 service that revolves around convenience and empowerment in all areas of their lives.

Yes, things are getting personal. And there's no doubt consumers are craving more personalization in health care. But as much as they say they want it, most see personalized care as depending on human beings, not data. And data in the form of personal health information is a minefield of privacy concerns.

Looking beyond the horizon, visionaries see data and personalization as a way to solve most if not all of health care's problems. They see continuous, integrated data combining with AI to make personalized, holistic health care as easy as hailing a ride with Uber.

This year's PULSE report takes a look at people's yearning for healthcare personalization, what it means to them, their comfort and concerns with data privacy, and a look ahead to how healthcare marketers can address it all.
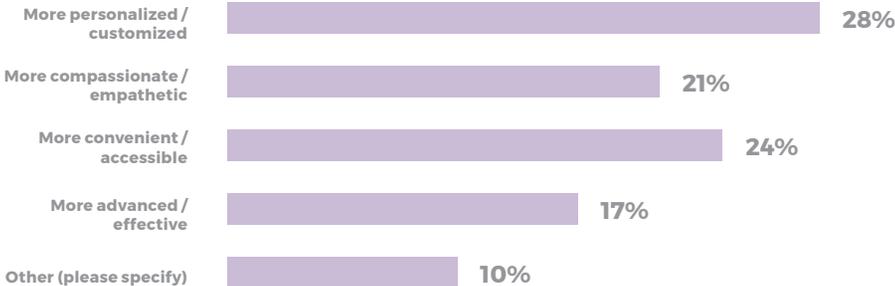
People see change,
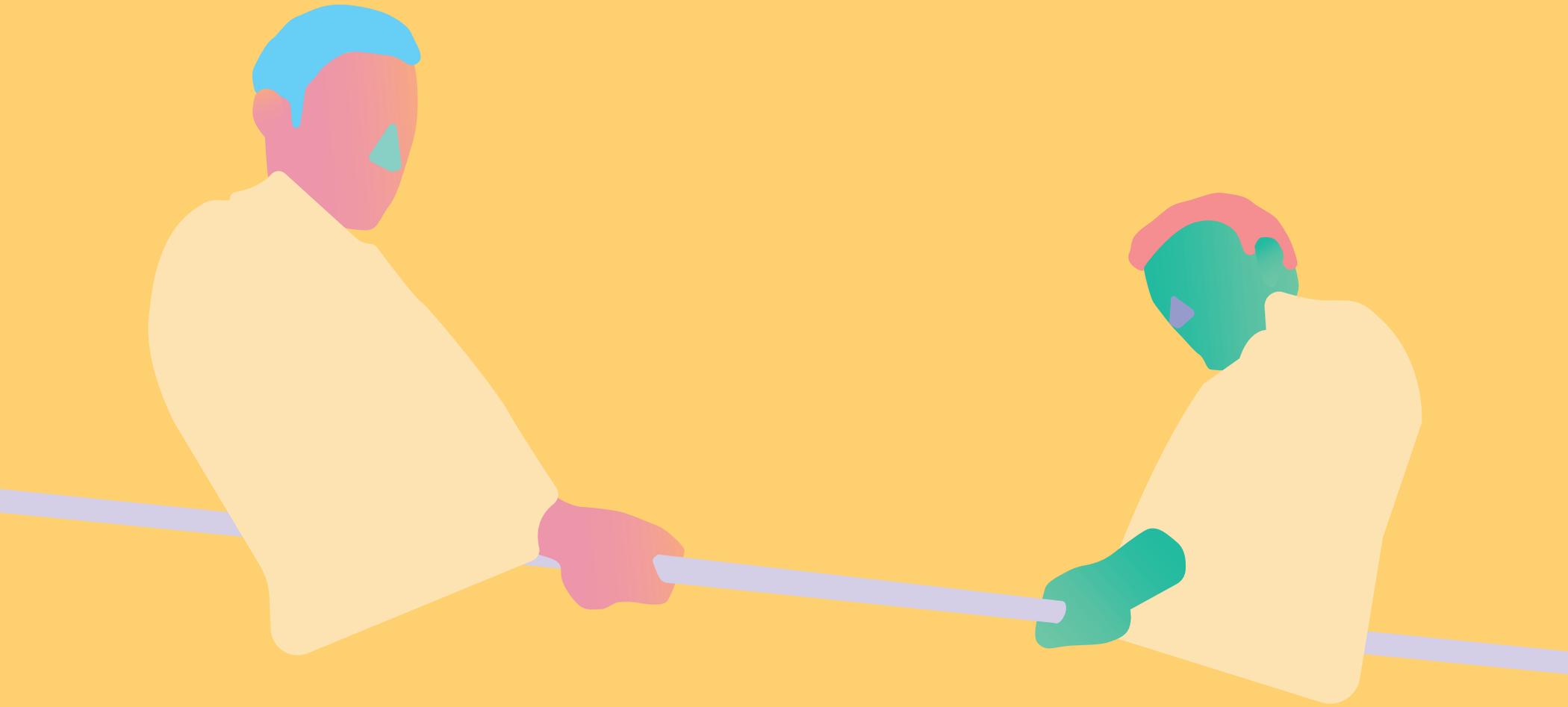but not the change they want

When we asked consumers to name one thing they've noticed changing in health care, their responses were not surprising. The costs of health care—insurance premiums, plan deductibles and medications—are outpacing the cost of living and eating up a bigger share of somewhat stagnant family budgets. People made that loud and clear.

Even given a list of potential changes they would like to see, 62% of "other" responses were write-ins for affordability. Looking beyond costs, only 17% wanted to see more medical advances, and 28%, the largest share, chose more personalized/customized care.

The change they'd like to see

Q: In the future, if there was one thing you could change about your health care,
in which of these general categories would it fall?

|	
More personalized / customized	28%
More compassionate / empathetic	21%
More convenient / accessible	24%
More advanced / effective	17%
Other (please specify)	10%

The personalization/privacy dilemma

We live in a quantified world. We are quantified consumers. And now there's the quantified self. Wearable technology is now part of millions of lives. Big Data and the potential of AI to glean insights from it, along with the exploding amount of data every one of us generates, continues to make headlines.

But when it comes to their health care, nobody wants to be just another number or data set. "Treat me like a person, not a number!" In reality though, it's numbers, in the form of data, that have the potential to give us the individualized care we desire. Innovative use of data can lead to continuous, holistic and high-quality responses to personalized needs and preferences and, ultimately, more individualized, affordable and effective health care.

"In light of highly publicized abuses, privacy issues have become explosive. And while major advancements are possible with the use of AI translating massive amounts of data into information that can inform new health products and services, marketers may find access to that information restricted if not barred—if they don't offer the prospect of improving people's lives in exchange for their personal health data."

– Bob Cook, Firefish, WARC July 12, 2019
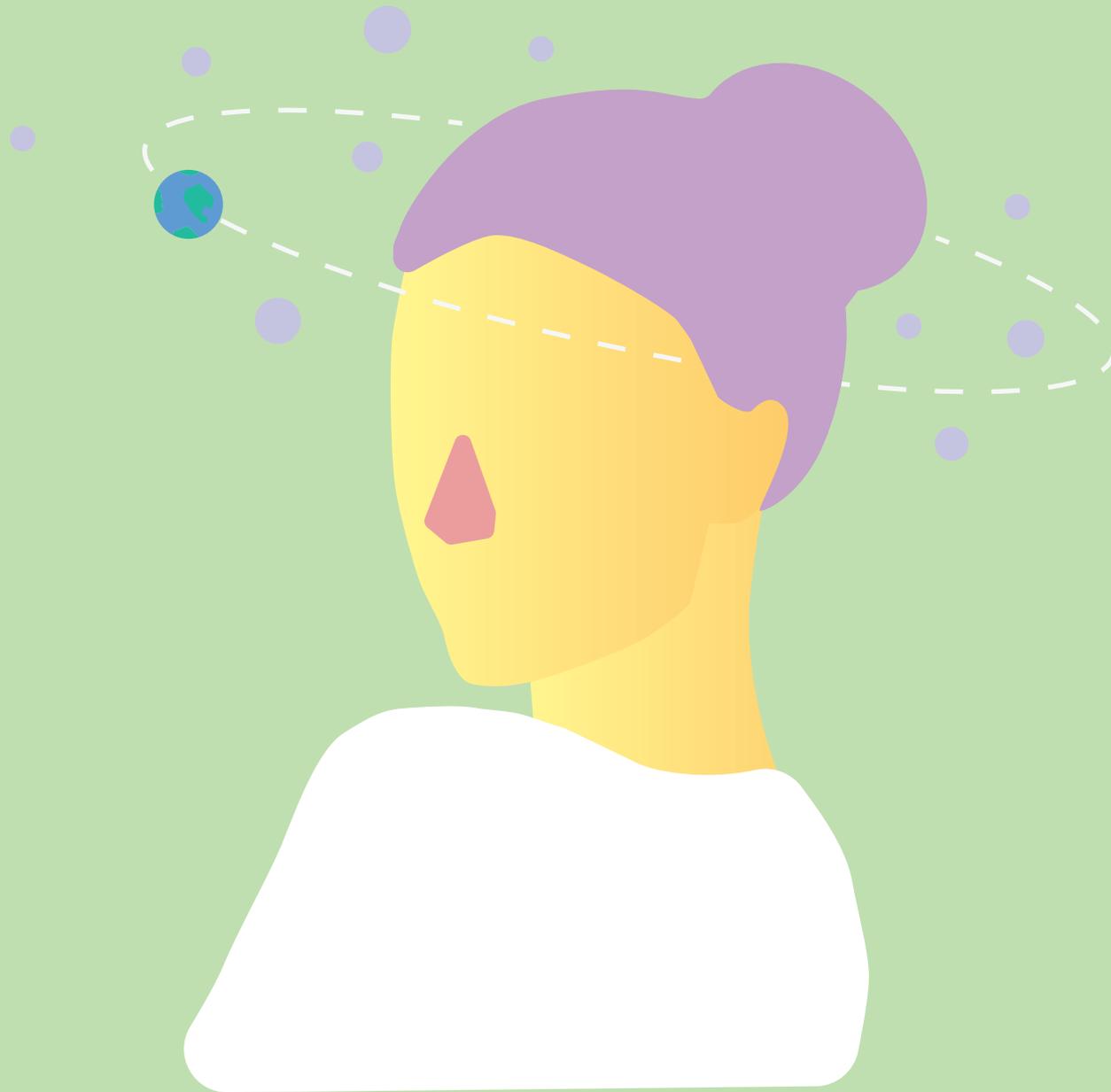
"It's about me." And it always has been.

Over the last 12 years, the LC Healthcare Quality PULSE has surveyed healthcare consumers about how they make decisions when choosing a doctor or hospital. As we searched for marketing insights, people kept telling us, "it's personal." People are the center of their own universe. Their experiences and the people they trust matter more than all the technology, credentials and amenities any health system can muster.

Finding a doctor is a personal endeavor

Changes in health plans are now the leading driver for changing physicians. Although slightly feweryounger consumers have a personal physician, the vast majority of people do, and only 11% made their last physician change because of dissatisfaction. This is another indication of the trust, preference and loyalty most consumers have for their personal physician relationships.

Overall 83% have a personal physician

Q: Do you currently have a personal/primary care physician?

75% **Gen Z**
80% **Millennials**
86% **Gen X**
91% **Boomers**
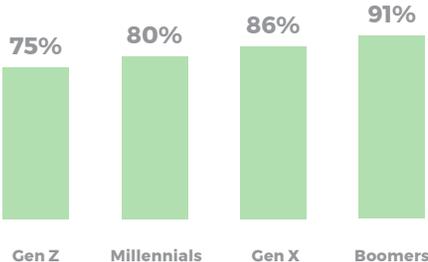
Reason for most recent physician change

Q: The last time you needed to choose a primary care physician for yourself or family members, what was the main reason? (Please choose one answer.)

Health plan changed	22%
Moved to new community	19%
Previous physician no longer available	19%
This was my first personal physician	14%
Dissatisfaction with previous physician	11%
Healthcare needs changed	11%
Other	4%
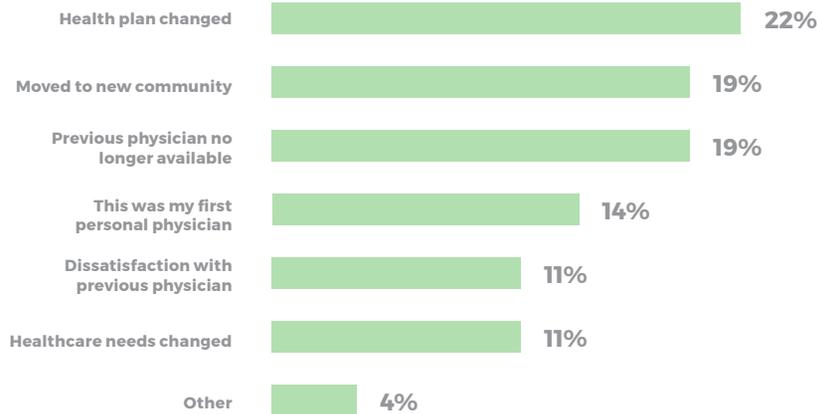
To find a doctor, asking a friend or family member has consistently ranked first. However, more people are using Google as part of their physician search, a change seen across all groups. And when it comes to selecting a specialist, reviews are a proxy for someone they know.

Where people turn for advice on finding a doctor

Q: Rank how you'd go about choosing a PCP (out of 8).

Ask friends or family	5.90
Ask another physician of mine	5.49
Use the hospital's referral service	5.42
Search Google for reviews	5.29
Search Yelp for reviews	4.22
Search Facebook for reviews	3.95
Ask friends on Facebook	3.75
Other	1.99
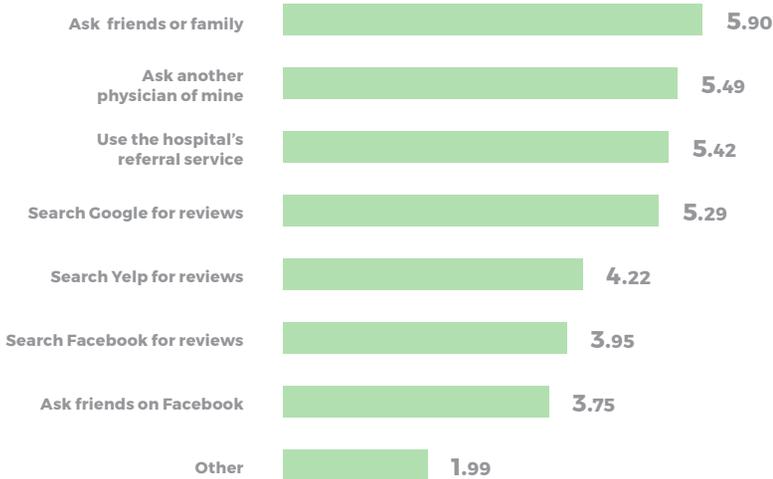
Personal endorsement is a powerful influence

Consumers even turn to their personal information sources for general awareness.
They most often hear of hospitals from friends and family, almost twice as often as they do from a doctor or advertising.

Where people hear about providers in their area

Q: Where do you most often hear of hospitals or health systems in your area?
(Please choose one answer.)

From friends, family, co-workers, etc.	41%
My doctor	26%
In advertising	22%
News reports	9%
Other (please specify)	3%
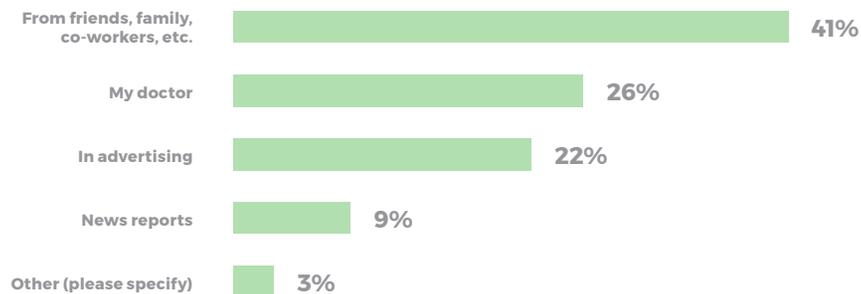
Personal health interests come up often in everyday conversation. 15% of consumers say doctors and hospitals are part of weekly conversations, and 65% are using social sites to share or comment on health topics at least occasionally.

Doctors and hospitals are part of the weekly conversation

Q: Thinking of your interactions with friends and family members, how often do you do the following?

A personal or general health topic	41%
An experience with a doctor or hospital	26%
Healthy eating or exercise	22%
Health news or information using a social site	9%
Healthy food or recipes using a social site	3%
Exercise or fitness using a social site	3%
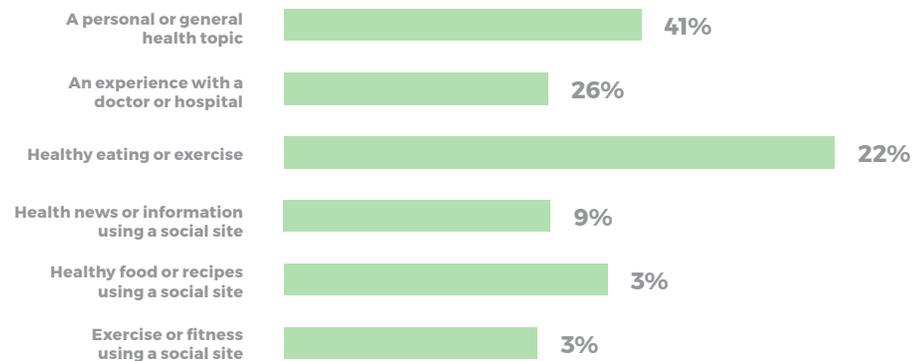
People choose personalized care over cost

This year, personalized care was added to the list of criteria for choosing a hospital and it promptly zoomed to the third most important behind physicians and reputation.
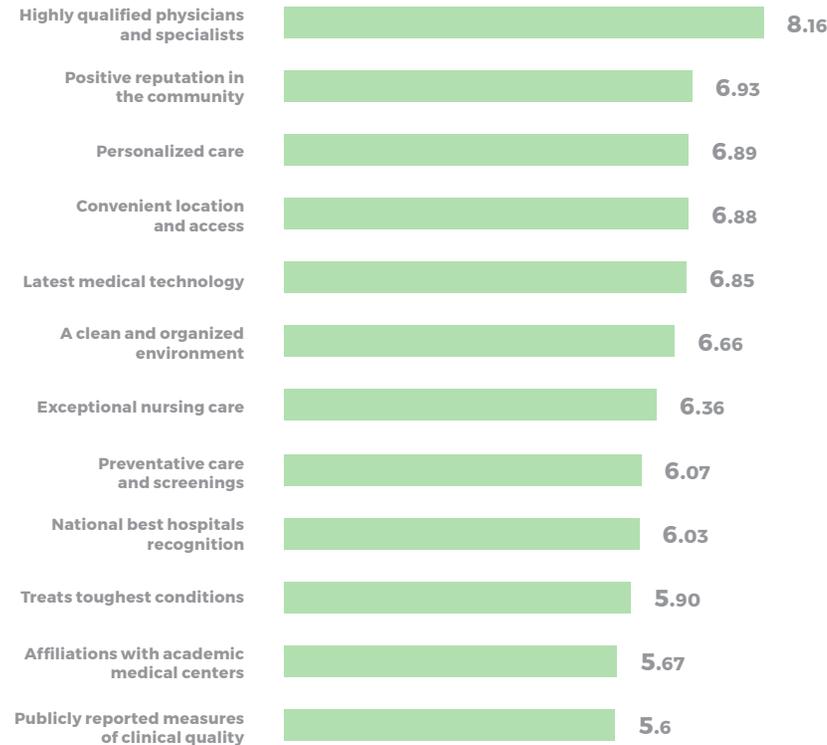
Most important factors for choosing a hospital

Q: Please rank the following according to which is most important when choosing a hospital for yourself or your family.

Factor	Score
Highly qualified physicians and specialists	8.16
Positive reputation in the community	6.93
Personalized care	6.89
Convenient location and access	6.88
Latest medical technology	6.85
A clean and organized environment	6.66
Exceptional nursing care	6.36
Preventative care and screenings	6.07
National best hospitals recognition	6.03
Treats toughest conditions	5.90
Affiliations with academic medical centers	5.67
Publicly reported measures of clinical quality	5.6

Younger consumers are driving an increase in those who are willing to shop for healthcare services. But for most people, insurance coverage makes price shopping pointless.

More are researching costs

Q: Thinking about the last time you needed a medical test or procedure, did you research the cost ahead of time?

37%
2018

42%
2019
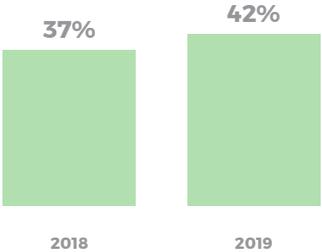
Boomers are less likely to shop

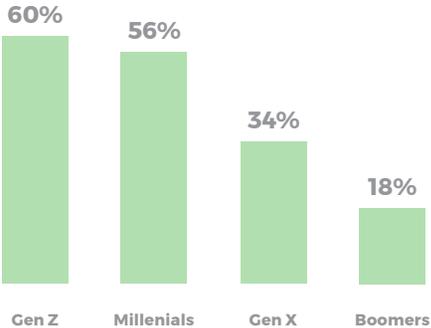**Q:** Thinking about the last time you needed a medical test or procedure, did you research the cost ahead of time?

60%
Gen Z

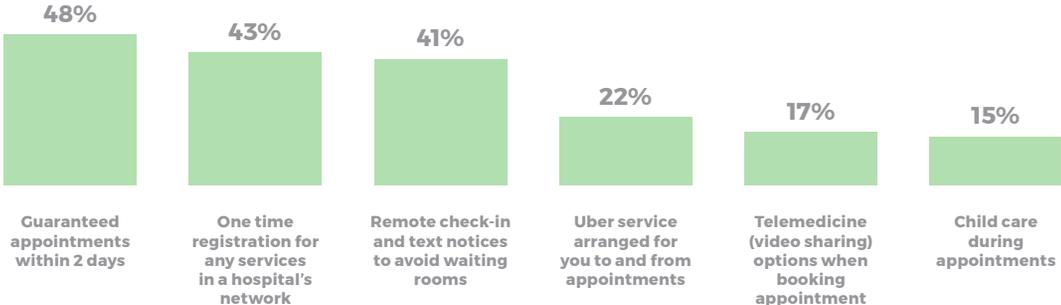56%
Millenials

34%
Gen X

18%
Boomers

People value the personalization that retail doesn't offer

Interestingly, more than 40% would pay extra for personalized access that isn't covered by insurance. A substantial segment sees value in more personalized access like guaranteed appointments in two days, one-time registration for all system facilities and remote check-in and alerts via text.

Willingness to pay extra for personalized access and convenience

Q: Thinking about the last time you needed a medical test or procedure, did you research the cost ahead of time?

48%	43%	41%	22%	17%	15%
Guaranteed appointments within 2 days	One time registration for any services in a hospital's network	Remote check-in and text notices to avoid waiting rooms	Uber service arranged for you to and from appointments	Telemedicine (video sharing) options when booking appointment	Child care during appointments

People know they are sacrificing personalized care for convenience when it comes to retail clinics. While personalized care is important, the convenience of retail is acceptable for 42%. Still, 32% say they have not and would not use retail clinics. In comments, people said retail is convenient but impersonal. And nearly 40% say they are uncomfortable with using telemedicine which may also feel less personal.

Those who would not use a retail clinic is up from 25% in 2018

Q: Retail health clinics in stores like CVS, Walgreens and Walmart provide care from a certified nurse specialist during the day, evenings and weekends. Which of these statements do you agree with? (Select all that apply.)

30%　35%　　25%　32%

I use or would use a retail clinic for most routine and preventative care.

I have not and probably would not use a retail clnic.

　2018　　　2019
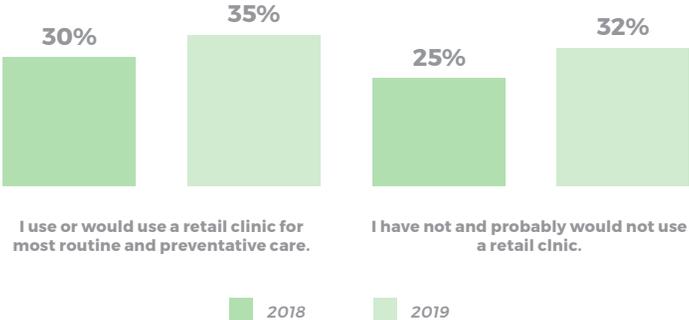
Pundits and people define personalized care differently

Consulting firm McKinsey outlines a vision for data to transform health care and create personalized ecosystems of care. These ecosystems would integrate today's fragmented information from social systems, financial resources and health systems; home-care and self-care monitoring; activities of daily life; and traditional types of care. These personalized ecosystems would:

- Generate insights for individual patients
- Develop personalized Continuum of Care plans
- Offer individualized care through an AI-enabled voice interaction medium
- Seamlessly integrate monitoring and care from all sources

Consider that an average patient will generate 2,750 times more data from social and environmental influences than from clinical factors. And clinical factors only explain about 15% of overall health outcomes, while social determinants, health behaviors and genetics account for the rest.

- The era of exponential improvement in healthcare?, by Shubham Singhal and Stephanie Carlton, McKinsey & Company, May, 2019

On the other hand, PULSE respondents overwhelmingly said personalized care means care that is about me, knowing me, seeing me as a person, recognizing me as an individual, customizing and tailoring care for me and understanding me and my history.

People tend to define personalized care in terms of how it's delivered to them. Other meanings of the term, such as a more holistic approach to individual health, are neither well defined nor widely accepted. However, as health care shifts its focus to wellness, alternative definitions may become mainstream.

So, what is personalized care?

"Personalized" is an ambiguous word, especially when we think about how it benefits our health and healthcare outcomes. Studies have shown that the way patients feel about their care and caregivers does affect outcomes. On the other hand, genetic science is giving us a new way to look at the idea of personalized.
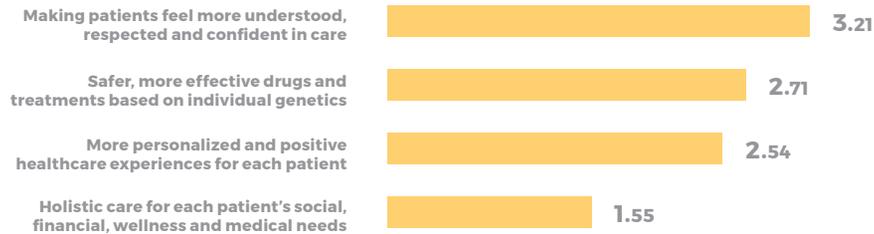
People accept multiple definitions of personalized care

Q: In your opinion, how well do each of these phrases describe your idea of personalized health care?

Care providers who are empathetic and compassionate	75%
Customized care delivered according to individual patient preferences	74%
Precision drug therapies or treatment plans based on a patient's genetics	70%
Holistic care for each patient's social, financial, wellness and medical needs	69%

"How they feel" is the most important benefit of personalized health care

Q: Please rank the importance of these personalized health care benefits (on a scale of 0 to 4).

Making patients feel more understood, respected and confident in care	3.21
Safer, more effective drugs and treatments based on individual genetics	2.71
More personalized and positive healthcare experiences for each patient	2.54
Holistic care for each patient's social, financial, wellness and medical needs	1.55

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Where people draw the line on personal data

Trust, transparency and permission are fluid concepts that are destined to change as more benefits are realized from data knowledge. Based on 2015 Ipsos MORI research, 54% support use of their own health data if a commercial organization is using it to conduct research, but only 35% support it for targeting health products for different groups of people.

And it seems consumers are becoming more skeptical of the personal data collection that is needed for personalization—only 29% said providing more data leads to better products and services, down two points from a year ago. 45% said using personal data to track fraud was ethical; only 17% said using it to tailor advertisements was ethical.

-RSA Data Privacy and Security Survey 2019: The Growing Disconnect Between Consumers and Businesses," RSA Security, February 6, 2019
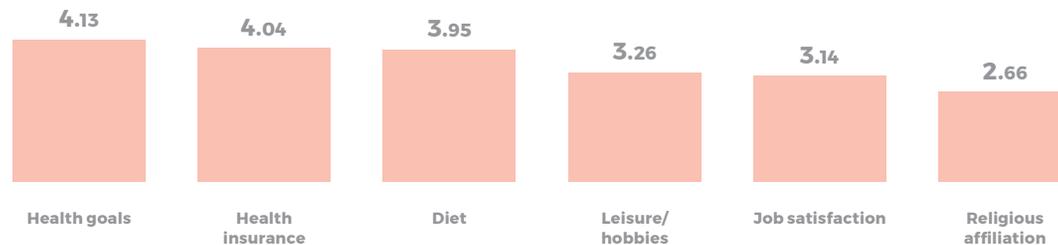
Privacy concerns are balanced with convenience and curiosity

While there is more and more importance being given to social determinants of health, people are still defining what a doctor needs to know fairly narrowly, which is a challenge for more holistic care.

The type of information that doctors, according to patients, do not need to know about—religion, hobbies and job happiness, for example—are just the sort of social determinants futurists would like to see considered as health information.

People want doctors to know about them, but not that much

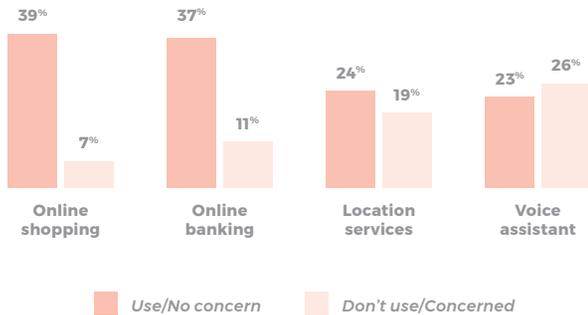**Q:** Please rate the importance of a physician knowing the following about your health. Next, please rate the importance of a physician knowing the following about you in general (on a scale of 0 to 5).

4.13	4.04	3.95	3.26	3.14	2.66
Health goals	Health insurance	Diet	Leisure/ hobbies	Job satisfaction	Religious affiliation

Online banking and shopping have become widely accepted, but people are still somewhat leery of technology they don't understand. People are almost as confident when using healthcare portals and online searches for health information as they are with online shopping and banking. Voice assistants and location services are still new, and for many, the benefits don't outweigh the privacy concerns whether for general use or finding healthcare information. This is a hurdle for a new generation of voice-assisted services of any kind.
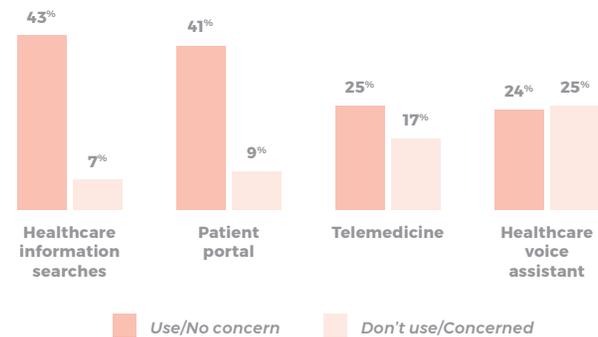
Online consumer services & privacy concerns

Q: For each of the online healthcare activities or apps below, please check the response that describes your use of them (Yes or No) and whether or not you have privacy concerns.

	Online shopping	Online banking	Location services	Voice assistant
Use/No concern	39%	37%	24%	23%
Don't use/Concerned	7%	11%	19%	26%

■ Use/No concern   ■ Don't use/Concerned

Online healthcare & privacy concerns

Q: For each of the online healthcare activities or apps below, please check the response that describes your use of them (Yes or No) and whether or not you have privacy concerns.

	Healthcare information searches	Patient portal	Telemedicine	Healthcare voice assistant
Use/No concern	43%	41%	25%	24%
Don't use/Concerned	7%	9%	17%	25%

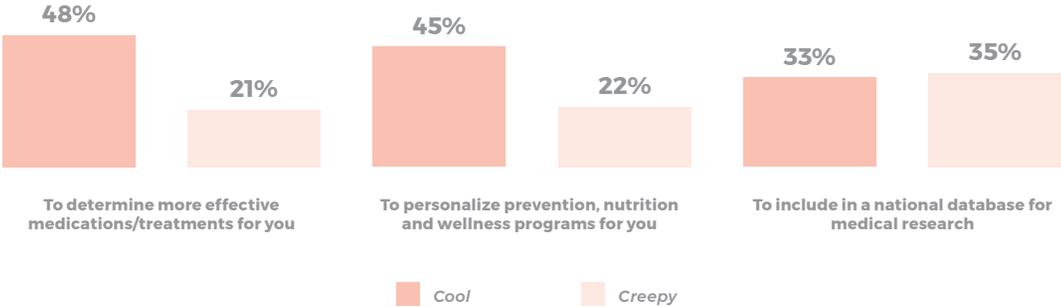■ Use/No concern   ■ Don't use/Concerned

People draw the privacy line at marketers

In this year's study, 65% of people have either had or are interested in having a personal DNA analysis, but they are more comfortable with individual DNA data being used for their own heath or medical reasons than for medical research.

Interest in and comfort with use of individual DNA data

Q: Medical science and the internet have created a great deal of data that can be used for personalization. On a scale of Cool to No Problem to Creepy, please rate how positively or negatively you view the following. (Comparison of Top Two on Five-Point Scale from Cool to Creepy)

48%	21%	45%	22%	33%	35%

To determine more effective medications/treatments for you

To personalize prevention, nutrition and wellness programs for you

To include in a national database for medical research

■ *Cool*   ▢ *Creepy*

Consumers aren't crazy about how the digital media and marketing ecosystem uses their personal information. That's not news, but it has gotten increased media attention since the public learned a trove of Facebook data had been illicitly sold to Cambridge Analytica.

Data breaches make headlines, but little is said about the consequences, so we asked what people feared. Naturally, people are highly concerned about identity theft of financial information, but they're almost as concerned about use of "stolen" data by marketers.

Health data fears and consequences

Q: HIPAA is a regulation meant to prevent unauthorized use of your health and healthcare information. How concerned are you about each of these potential risks? (Ranking of Top Two on Five-Point Scale)

Marketers	47%
Identity thieves	46%
Employers/lenders	39%
Health plans	35%
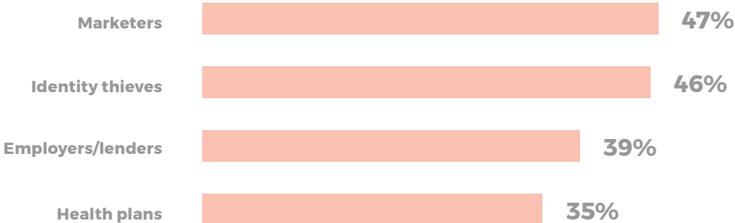
For marketers, it's time to look deeper for personalization benefits

As healthcare marketers, we know the importance of understanding and communicating what people truly value. But the promise of more relevant advertising messages is a small benefit to receive in exchange for personal data. In fact, according to recent eMarketer research, the more consumers learn about digital ad targeting, the less they like it. Yet, everyday, millions of people willingly engage with Amazon. In turn, they are surrounded, not only with relevant merchandise offers, but short cuts that make their lives easier: free shipping and returns, wish lists, one-click transactions and more.

We stand on the cusp of transforming the healthcare experience. Innovative apps, wearables, voice assistants and AI are here. But people need to know it's their individual data that enables the custom conveniences, information, prevention and control they call personalized care.

Here are four thought starters for how healthcare marketers can be the conduit for understanding the benefits their personal data can return:

1. *Knowing what you want. Demonstrate and communicate that compassionate, empathetic care can be supported and even improved with "knowing" about patients—and that means data*

2. *Knowing you as a whole person. Expand the meaning of personalized care by promoting the effectiveness of holistic care informed by data outside of hospital and episodic events*

3. *Helping you live well longer. Champion the use and promise of technology like genomic analysis in routine care and preventive medicine*

4. *The greater good. Help people connect data potential to community and personal benefits like the use of social determinants data*

About this study

The LC Healthcare Quality PULSE is based on a national survey of 1200 healthcare consumers and is an annual publication of Laughlin Constable. LC is an independent, full-service and forward-focused marketing organization. LC is proud to have worked with dozens of healthcare marketers over the years, as well as clients in many other consumer and B2B categories.

Gayle Morse

Study author and consumer insight geek

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As VP Strategic Panning at LC, Gayle is insatiably curious about people's perceptions and attitudes; especially healthcare consumers. Each year's PULSE study is her chance to take a deep dive into another burning question about what makes them tick. She'd love to hear what you want to know.

Patti Bridge

Healthcare marketing expert and idea fountain

pbridge@laughlin.com

Now serving as SVP Account Account Service at LC, Patti has applied her talents to brands from Jim Beam to the Chicago Cubs, but her true love is working with clients like Northwestern Medicine and University of Illinois Hospital & Health Sciences. She's already been thinking about your marketing challenges.

Samantha Garretto

New account contact and champion greeter

sgarretto@laughlin.com

As LC's New Business Manager, Samantha turns introductions into memorable events for everyone in the room. She's ready to get the right people in that room (or on the phone) so you can meet the LC staffers who can take your brand positioning, website, influencer campaign or content strategy From Now to Next™.

2019 PULSE REPORT

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