Marketing Occupational Therapy

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Marketing is emerging as an important aspect of the delivery of health care services, including occupational therapy. An understanding of marketing and a knowledge of how to apply its principles will permit therapists to keep pace with the changing health care environment. This article introduces terminology, strategies, and applications of marketing.

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Marketing—What Is It?

Have it Your Way” (Burger King), “You’re the Boss” (United Airlines), and “To Do All in Our Power to Pack the Customer’s Dollar Full of Value, Quality and Satisfaction” (J. C. Penney) are but three examples of slogans or catch phrases that reflect the successful implementation of the concept of marketing. Carefully orchestrated marketing programs sell today’s food, clothes, movies, colleges, hospitals, and health care services.

Although it was once thought to be inappropriate or unprofessional to use marketing in health care, it now appears to be the key to survival in the reality of shrinking health care funds. Marketing can do the following (“Marketing OT Services,” 1984):

1. Help you identify unserved needs
2. Help you determine which needs you can serve profitably
3. Help you identify programs and services with declining profitability
4. Help you maximize the advantages of new trends and technologies
5. Serve as a key step in program development and expansion (p. 4)

Much can be learned from the marketing of commercial products for application to the field of health care. Loubeau (1984) describes six ways in which health care services are identical to commercial products:

Health care services: (a) are developed to fill a market need or want; the market could be consumers, physicians, or even other hospitals; (b) require a capital (research and development) investment, an operating (production) budget, and a communications (public affairs) effort; (c) have specific functions, features, and benefits that are (or should be) packaged for maximum acceptance; (d) are sold to selected market segments; (e) determine revenue (sales volume) through direct billings, reimbursements, and grants; or services are carried as a loss to stimulate good will, image, or sale of other services; and (f) are imitative (the same as others), adaptive (modified with improvements), or innovative (a trendsetter) (p. 4).

Marketing—What Is It?

Simply stated, “Marketing consists of meeting people’s needs in the most efficient and therefore profitable manner” (“Marketing OT Services,” 1984, p. 4). It is a management discipline that systematically makes the customer the touchstone for information gathering, strategic decision making, service design, and profitability. As Drucker (1973) remarks, “Marketing is what makes selling unnecessary. The aim is to know and understand the customer so well that the product or service fits him/her and sells” (p. 64). Marketing is an orientation which makes satisfying the customer’s needs the integrating organization principle. It enables one to stay in touch with the needs, wants, and preferences of constituencies. Instead of designing services and then looking for customers, marketing reverses the process. One first looks at the market and listens carefully to potential customers and then designs services or products to
match the needs and desires of these potential customers (Kotler, 1983a).

The market is defined as all actual or potential buyers of a product, service, or idea and can be considered in its entirety or divided into relevant segments by variables such as age and location or by specialized interest with reference to a focal point, for example, legislators. In other words, to define a market, one places individuals with similar characteristics into a group so that the members of the group receive specific information or incentives designed to appeal to their common characteristic. In occupational therapy, each group affects occupational therapy practice in a unique way. Thus specific marketing strategies need to be employed for each.

Successful marketing management begins with an idea that serves as the framework for all marketing efforts ("Conducting Preliminary Market Research," 1984). For example, the idea might be to establish a work program for learning-disabled adolescents, to hire a marketing agency to perform a marketing analysis for a state occupational therapy association, to recruit more students, or to bring part-time occupational therapists back in by promoting job sharing. Once the idea is selected, the process consists of (a) analyzing market opportunities; (b) selecting appropriate target markets; (c) developing an effective marketing mix; and (d) managing the market effort effectively.

Analyzing Market Opportunities

In assessing the demand of a market, all actual and potential buyers of the product (in our case, occupational therapy services) are identified. The analysis includes

1. A self-audit
2. Consumer analysis
3. An analysis of other providers of similar services
4. An environmental assessment

Self-Audit

Performing a self-audit, that is, reflecting on our strengths, weaknesses, opportunities, and threats helps us to understand how well or poorly prepared we are to meet marketplace demands.

Consumer Analysis

An analysis of consumers, that is, of those who use our products, would include diverse audiences such as current clients, potential clients, referral sources, health team members, administrators, insurance providers, and legislators.

Depending upon which consumer group is being analyzed, marketing can have an internal focus (e.g., educating and convincing physicians, nurses, or administrators) or an external focus (e.g., developing new referral sources, educating the public, recruiting students into the profession or therapists into the professional organizations). Each of these desired outcomes determines which approach is to be used.

Analysis of Other Providers of Similar Services

To have an effective marketing plan, an analysis of other providers of similar services is needed. A competitive analysis will provide an understanding of how adequately the needs of the marketplace are being satisfied, what areas are not being served, where duplication and overlap are occurring, and where opportunities for collaboration or joint venture exist. Information on what competitors are planning can be gained by contacting them or reading their publications (e.g., newsletters, annual reports). Getting on their mailing lists is very helpful.

Environmental Assessment

An environmental assessment describes changes and trends that may have an impact on one’s future. These changes may be occurring in the community, the government, the economy, the labor market, consumer needs, the service area, services offered, and reimbursement sources and practices. An environmental assessment includes the review of the following areas:

1. Demographics. Demographic information includes changes in and a current breakdown of the population of service area by age, sex, race, national origin, employment, education, income, and religion. For example, a demographic factor that may affect occupational therapy services is that the median age of the U.S. population is increasing.

2. Political and regulatory systems. "The political environment shows substantial business regulation, strong government agency enforcement and the growth of public interest groups" (Kotler, 1983a, p. 115).

3. The cultural environment. "Culture is the most fundamental determinant of a person’s wants and behaviors" (Kotler, 1983a, p. 122). The core beliefs, values, and norms of a culture/subculture are highly persistent (e.g., most Americans believe in work) whereas the secondary beliefs and values are more open to change and undergo shifts through time (e.g., in the area of health, increasing numbers of people value physical fitness and preventive medicine) (Kotler, 1983a).

4. Financial/economic environment. Reimbursement variables and changes (e.g., the purchase of health care, copayments), developments in the capital markets or local economy are likely to influence the service delivery in a community.

5. Geographics. Geographics provide commu-
nity characteristics. For example, geographical shifts in population will affect the demand for occupational therapy in specific locations. It is predicted that over the next decade the West and South will experience population growths of 17% and 14%, respectively. Presently, these sunbelt states have 51% of the U.S. population (Kotler, 1983a).

6. Psychographics. This category provides information about the consumer's social class, life-style, and personality characteristics. For example, social class has a strong influence on a person's preference in leisure activities.

7. Technological developments. This category would include new treatment modalities, for example, innovative opportunities such as robotics and biotechnology (Kautzmann, 1985).

From an overall marketing analysis, a written marketing plan is developed, which includes a mission statement, as well as goals and objectives. The objectives are presented in terms of the eight most important priorities. Ideally, the directors of the facility or senior management staff members develop the priorities. Each plan must be specific for each target market and include information on budgeting, staffing, and the time frame.

Selecting Appropriate Target Markets

Target marketing is the process of identifying the most favorable or advantageous segments of a specific market and directing efforts to meet the needs of these segments. For example, the American Occupational Therapy Association (AOTA) became aware of the need to develop a marketing approach in occupational therapy when AOTA restructured the certification program and separated it from the membership program. To develop target markets, AOTA could cluster people with similar needs into specific groups.

Developing an Effective Marketing Mix

The Four P's

The marketing mix strategy includes the development of objectives for each identified target market and their implementation. Commonly known as the four P's—product, price, place, and promotion—this strategy should cover everything that can be done to influence the demand for the product (Clopton, 1986; Olson & Urban, 1985).

Our products are what we do as occupational therapists and need to be defined at a level that consumers will understand. Simply stated, occupational therapy assists individuals to become as independent as possible. However, Clopton (1986) notes that "just as Hershey Chocolate company does not promote Hershey Kisses, Kit Kat, and Chocolate Syrup all in a single campaign, Occupational Therapy cannot successfully market its many varied treatment areas all with the same methods" (p. 16). Therefore, it is important to decide what specific product will be marketed. Ideally, the goal is to offer not just one product but a product line, that is, a variety of products associated with one another by an overall theme (Olson & Urban, 1985; Como & Hagner, 1986). For example, the department of occupational therapy at Henry Ford Hospital in Detroit, Michigan, has a "Return-to-Work Center." The overall theme is that "the Center assists in the recovery of the injured patient by helping bridge the gap between the health care provider and business, the hospital and workplace, and the person as a patient and as an employee" ("Return-to-Work Center," 1986, p. 2). The product line of this center includes a work capacity evaluation, a work hardening program, physical tolerance screening, and a job-site evaluation.

Price is the exchange value, usually monetary, of the product. Pricing is based on cost, competitive factors, and what the consumer is willing to pay (Clopton, 1986). It is important for the price to be commensurate with perceived value.

The manner in which the product is made accessible to the target consumer is the place component of the marketing mix. The goal is to get the product into the consumer's hands in the most efficient manner possible.

Promotion is the communication of information to the audience: The target market is told about the product's merits, place, and price. Arguments are presented to persuade the consumer to purchase the product. The instruments of marketing communications or promotion are advertising, sales promotion, publicity, and personal selling. The first three are mass marketing tools.

The Instruments Described

Advertising. Advertising involves a paid message presented in a recognized medium, by an identified sponsor, with the purpose to inform, persuade, and remind. Advertising employs the use of the following vehicles to relay its message:

Print ads are found in newspapers, journals, and magazines. Brochures and direct mail are additional vehicles. Broadcasts are advertisements carried by radio stations and television networks. Transits are the posters or car cards found on mass transit vehicles. Billboards are the large attention getters seen from the highways. Point-of-Purchase refers to the counter and aisle displays found in most stores. Point-of-purchase is commonly used to promote "impulse" buying (Geibel, 1986). A 5-ft-high cardboard poster depicting occupational therapy next to a rack of occupational therapy license plate covers in a hospital gift shop would be an example of this kind of adver-
Advertising messages can be presented in different styles, such as testimonial, technical or scientific evidence, fantasy, fact-of-life (Kotler, 1983a). The following examples use a character to personify the product (Kotler, 1983a).

The use of Americana (patriotic symbols) to sell products has become widespread since the 1984 Olympics and has been used creatively in health care. For example, New England Memorial Hospital in Stoneham, Massachusetts, in trying to broaden its profile and promote its Center for Plastic Surgery, used a public domain subject, the Statue of Liberty. The advertisement, which was used both as a print ad and broadcast, shows the head of the Statue of Liberty surrounded by scaffolding with the line "Even the most beautiful woman in America can look better" ("Facelift," 1986).

Linking a product with a well-known licensed character is another possible advertising strategy (Oberlink, 1986).

There is speculation that technological advances will lead advertising from an era of mass media to an era of individualized mass media. For example, printing technology will enable magazines to carry ads that are personally directed to their readers (Jackson, 1986). Imagine opening Occupational Therapy News and coming across an ad that addresses you by name and mentions a subject you are interested in.

Sales promotion. Sales promotion is the use of a variety of short-term incentives to encourage the purchase of the product. This approach is most effective when used in conjunction with advertising. Typical consumer promotion incentives may include coupons (newspaper coupons for free blood pressure and diabetes screening), discounts, samples, premiums (trading stamps), price packs (cents-off deals on the regular price of an item), and contests. However, recent strategies have gone beyond the use of incentives to build a relationship with the customer. For example, American Express, to aid in the restoration of the Statue of Liberty, made a donation to the restoration each time an American Express card was used by a customer. This "cause-related" promotion not only helped make money, but also made people feel good about the sponsor (American Express). It might be of interest in this context that the company has expanded its audience to include the health care industry. In 1986, 16,000 doctors and hospitals accepted the card for payment (Foltz, 1986).

Publicity. Publicity is another means of getting public attention. "Publicity is often described as the marketing stepchild because it is relatively underused in relation to the real contribution it can make" (Kotler, 1983b, p. 112). The basic positive aspect of publicity is that it is free. However, one has little control over the placement of it and thus it becomes difficult to focus publicity on specific target markets. One key to success in this area is a well-conceived and executed media relations program. To obtain media exposure, become acquainted with the media and once a rapport is established, be accessible, responsive, and easy to work with.

To develop awareness among the media, become familiar with editors, staff writers, and free-lance writers. Comparable people in broadcasting would be program producers and assignment editors. Before contacting these people prepare a media (press) kit and news (press) releases. The media kit is a set of documents that provide background on the product and provide other useful items (e.g., photograph with caption). Public Service Announcements (PSAs), brief messages of 20 to 60 seconds, are used for broadcasts. (Schaeffer & Lejkowitz, 1980). They are the equivalent of advertising for low-budget organizations. These announcements are provided free, but there are content restrictions and specific submission requirements, and the announcements are regulated under federal law. However, one must have a reason to contact the media, such as providing a story idea, follow-up, or commentary. And contacts should be limited to once every 3 months to avoid overuse.

Participation in special events such as a shopping mall show on prevention, wellness, and educational activities, which are open to the public and in the public interest, is another form of publicity. Additional examples of publicity are as follows: participating in radio and television talk shows or cable television programs (which can offer you more control in the designing of your message but reach a more limited audience); inclusion in community calendar listings of events; and writing a letter to the editor (the most highly read part of a newspaper) (Springer, 1985).

Personal selling. Personal selling, face-to-face communication between you and your audience, is the most expensive yet also the most effective form of promotion. It is also the method used by most occupational therapists. Kautzmann (1985) provides the following examples of personal selling:

1. Serving as a paid or unpaid lecturer or 'guest expert' in health care education.
2. Participating in health fairs or Mall shows.
3. Serving on boards or committees of public health agencies.
5. Participating in continuing education and inservice presentations with other health professionals. (p. 98)

The possibilities in this area are virtually unlimited. Two other important ones would be holding an open house and meeting with a physician to ask for a referral on a patient.

If we consider the fact that most individuals who choose the field of occupational therapy do so be-
cause of their personal contact with a therapist (J. MacDonald, Executive Board, Massachusetts Association for Occupational Therapy, personal communication, January 15, 1986), it becomes clear that personal selling is crucial to solving the manpower shortage in occupational therapy.

**Using the Instruments**

**A Hypothetical Case**

For clarification, the four major marketing tools are used to set up an occupational therapy student scholarship fund by a state occupational therapy association, for example the Massachusetts Association for Occupational Therapy (MAOT). MAOT could proceed as follows:

**Advertising.** Perhaps the association would have a raffle to raise some funds for this scholarship. They could advertise the raffle in the local newspaper, radio, state association newspaper, *Occupational Therapy News*, neighboring state association newspapers, and local university papers.

**Sales promotion.** Incentives could be planned in conjunction with the advertised raffle. Perhaps those supporting the scholarship fund would receive buttons, balloons, key rings, ribbons, and anything else that would identify them as a supporter.

**Publicity.** A scholarship fund could receive a great deal of media coverage, particularly from the human interest standpoint. An additional contact could be the public relations department of the local occupational therapy programs.

**Personal selling.** Executive board members could solicit the support of occupational therapy students at the local universities through speaking engagements at these universities. In turn, these students could become sales representatives, selling raffle tickets and asking for donations directly from consumers.

**An Actual Case**

In 1984, MAOT hired a marketing agency to conduct a detailed analysis of its marketing needs. It was found that MAOT's marketing needs were twofold: the association needed to market itself to current and prospective members and to play a major role in promoting the profession to its varied audiences (McIntyre Group, 1984).

Recommendations for action fell into four categories: image building, increasing membership, improving services and programs, and making the internal operations more efficient. It became apparent that most recommendations served multiple purposes.

The process of implementing marketing strategies can be illustrated by reviewing the recommendations for image building. According to the market analysis, image-building activities would be effective on three levels: (a) They would help individual members market their own services and achieve better professional self-definition; (b) they would define MAOT as a professional organization that provides concrete services and benefits; and (c) they would clarify and promote the occupational therapy profession under the name of MAOT, solidifying the organization's position as the **voice of occupational therapy** (McIntyre Group, 1984).

In conjunction with this analysis, the marketing agency made several recommendations which MAOT implemented over the last two years:

1. **Recommendation:** Develop a slogan or catch phrase to convey the essence of occupational therapy. Action: MAOT adopted the national slogan, "Occupational Therapy: A Vital Link to Productive Living."

2. **Recommendation:** Develop an occupational therapy logo with a new MAOT typeface for a unified heading to be used on stationery, brochures, fact sheets, etc. Action: MAOT solicited logo designs from its members and the general public. These designs were placed on the **MAOT Newsline** for a member vote. A logo designed by a young graphic arts student with special needs was selected.

3. **Recommendation:** Produce a series of printed materials with a consistent message tailored to the needs of specific audiences. Action: MAOT worked with students at Boston University's ADLAB to develop a brochure on occupational therapy and the state association.

4. **Recommendation:** Systematically develop press releases and feature items for distribution to appropriate newspapers. Action: The Public Relations Committee of MAOT developed media packets and cultivated relationships with the local media. The annual celebration of occupational therapy month, with the governor's proclamation of this occasion, became one of the major activities of the committee.

5. **Recommendation:** Collect existing photos of occupational therapists in various settings for use in projects and promotions. Action: MAOT is collecting photographs on occupational therapy activities. Typically these photographs are shared by members through the **MAOT Newsline**.

6. **Recommendation:** Develop a portable, educational exhibit about occupational therapy. Action: The North Shore Occupational Therapy Group, one of MAOT's 11 special interest groups, initiated the development of a portable mall exhibit and has successfully promoted occupational therapy at local shopping centers. The "how to's" and posters from this exhibit are available free of charge on a loan basis to MAOT members (Harner, 1985)

7. **Recommendation:** Establish and publicize an MAOT speaker's bureau. Action: The development of
a computerized speaker's resource bureau became an additional project of the same North Shore MAOT special interest group.

Managing the Market Effort Effectively

One's marketing effort needs to be reexamined regularly. A marketer's success is dependent not only on the use of the "right" marketing mix but also on timely responses to new trends and developments in the marketing environment.

Conclusion

Marketing is a relatively new concept in health care, but it can provide the health professions with an important strategy for achieving recognition. This article described how to analyze market opportunities, select appropriate target markets, develop an effective marketing mix, and managing the market effort effectively. Examples of how to use these principles in occupational therapy were provided.

A well-planned marketing approach can aid our profession in remaining "a vital link to productive living."

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References


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