INSIGHT: IN A NUTSHELL, WHAT IS DATA-DRIVEN AUDIENCE SEGMENTATION AND WHY DO WE NEED IT?

Bussmann: The challenge of understanding the healthcare market is immense. The potential audience is diverse and has a wide variety of goals and needs. Segmentation simplifies this multifaceted problem and helps marketers build a cogent, comprehensive strategy.

INSIGHT: HOW DOES DATA-DRIVEN SEGMENTATION RISE ABOVE TYPICAL MARKET ANALYSIS, SUCH AS DEMOGRAPHIC OR INCOME-BASED COHORTS?

Bussmann: Data-driven segmentation starts with an understanding of the healthcare use, current health status, and reimbursement rate of the individuals in each segment. We then layer demographic data on top to come to a greater understanding of each segment. Strategy, campaign, tactics and messaging should change when you are talking to healthy, proactive individuals with great insurance versus ailing, reluctant individuals with high rates of Medicaid. Without a proper segmentation, one finds it hard to assess these factors.

INSIGHT: DESCRIBE SOME USES OF AUDIENCE SEGMENTATION.

Bussmann: In terms of creative work, segmentation can be used to build marketing plans and tailor editorial and design to speak to the precise target audience of interest.

In terms of strategy, segmentation helps us understand how clients are performing within each segment relative to peers. From this, we can identify strengths and craft a strategy to address weaknesses. We also use segmentation to focus efforts on groups of patients that will have the most impact on a client’s stated goal, whether that is top-line growth, bottom-line growth or a population health initiative.

INSIGHT: YOU’VE DISCUSSED POPULATION HEALTH AS INCREASINGLY IMPORTANT TO HEALTHCARE MARKETERS. TIE MARKET SEGMENTATION IN TO THAT CONVERSATION.

Bussmann: Segmentation helps us identify the groups that are ailing but not seeking care at expected rates. For example, we can identify a segment with low healthcare participation rates in general, but whose members, when they do visit the doctor, have 25 percent more visits per year than similar age cohorts. This suggests only the sickest are seeking care.

INSIGHT: DOES SEGMENTATION DELIVER ANY SURPRISING NEWS TO MARKETERS?

Bussmann: This is one of the great benefits of employing segmentation; it not only makes our campaigns smarter, but it makes us smarter marketers. For instance, it is probably no surprise the segments with the highest rates of commercial insurance have the most profitable encounters. What may be a surprise, however, is that the most profitable overall segments of consumers are those on Medicare. They become patients at twice the rate as the commercially insured segments, and use three times more care once they become patients. Many marketers are focused on the commercially insured population, but actually the most profitable individual to build a new relationship with is a senior citizen.

Audience segmentation is just one analytical tool True North Custom has to offer. Visit truenorthcustom.com to learn more.