TAKING MEASURE OF HEALTH CARE PUBLIC RELATIONS:
A CASE STUDY ANALYSIS OF THE
RIVERVIEW HOSPITAL WOMEN’S PAVILION GRAND OPENING

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INTRODUCTION

Measurement, evaluation and justification continue to be among the hottest topics of practicing public relations professionals today. Across any industry, there isn’t a communicator who hasn’t heard the demand for budgetary accountability from a senior executive (Paine 2008).

The recession, budgetary constraints, declining access to capital, decreasing bond rates, increasing competition, skyrocketing health insurance costs and the growing importance of corporate accountability all contribute to the need for health care PR professionals to demonstrate a positive contribution to the corporate bottom line more so than ever before.

There is no one widely acceptable method for demonstrating the value of PR even though James E. Grunig, professor emeritus of the Department of Communication at the University of Maryland, has been working on answering the question for more a quarter of a century.

Public relations often is referred to as intangible and even a loss leader on the corporate ledger. At the same
time however, today’s results-oriented executives are prepared to invest in what works (which can be rather subjective in PR). It is within the context of the current business and economic landscape that the PR profession must come to terms with its vagaries to ensure its future (Weiner 2005).

This study sets out to illustrate that, to be excellent, a health care organization must not isolate the practice of public relations from marketing as researchers like Grunig and Dozier assert. The convergence of the marketing and PR disciplines is most effective in demonstrating value to executive leadership.

The following literature review discusses the definition of PR excellence, measurement of PR and issues in health care PR and marketing.

The methodology chapter of this study is a case study of Riverview Hospital; a suburban, community-owned hospital located 10 minutes north of Indianapolis in Indiana’s fastest growing and most affluent county. The author of this study served as the director of public relations, marketing and planning at Riverview from 1991 to 2005.

This study will explore how the department of public relations and marketing was involved in developing
strategic solutions to the issues experienced by the hospital in 1999: increasing competition from Indianapolis health care systems with greater resources and access to capital; a historic reputation for the county-owned hospital as a sub-par community-owned facility; an aging facility; and health care best practices trending toward the development of service lines.

The summary of this study will provide insight for health care PR practitioners today as to becoming “excellent,” that is, contributing to bottom line success.
LITERATURE REVIEW

Instead of public relations being regarded as a strategic function of an organization, many PR activities are reduced from a management endeavor to a technical activity (Ehling 1992).

Ambiguity about PR being strategic or being tactical is rooted in uncertainty of the definition of the discipline. There is little or no agreement about the appropriate mission or purpose of public relations as a discrete management function (Ehling 1992).

The Excellence Theory

Public relations is just one characteristic of an excellent organization. The characteristics of excellence in the organization as a whole provide the conditions that make excellent public relations possible (Grunig 1992). In addition, excellent communication management can be the catalyst that begins to make organizations excellent and continues to make them more excellent as time passes (Dozier, Ehling, J. Grunig, L.A. Grunig, Repper and White 1992).
From 1985 to 1995 James Grunig served as project director for the research project on excellence in public relations and communication management, funded by the IABC Research Foundation. This exercise identified value in the minds of CEOs as to the intangible benefits of PR. The takeaway, Grunig (2000) ascertained, was that CEOs value strategic counsel from PR practitioners, but they don’t value the functional things like media relations.

Qualitatively, Grunig and Grunig (2000) stated, the most common reason CEOs value the PR department includes the positive relationships developed by PR professionals that serve as buffers between the organization and its publics during crises.

The major premise of Excellence theory is that communication has value to an organization because it helps to build good long-term relationships with strategic publics. The Theory also purports that excellent PR departments contribute to an organization’s effectiveness by helping it meet its budget, reach its goals and objectives, and advance its mission (Gordon 1999).

Public relations, according to The Excellence Study, should be a strategically managed function for it to
contribute to organizational excellence - thereby resulting in excellent public relations.

Dozier (1992) agrees that excellent public relations departments are defined as those that are managed strategically in order to maximize the contribution to organizational effectiveness. To maximize its contribution, Grunig and Grunig (2000) state, it is crucial for public relations to be involved in strategic management; but in reality the two functions often have no connection.

To be strategic, Webster (1990) states public relations must pass one basic test: At a minimum, everything done must be aligned with corporate strategy and must substantially contribute to achieving the organization’s objectives. Ideally, public relations should be part of the team helping to create the corporate mission and set the objectives.

Grunig and Grunig (2000) concluded that PR departments are less likely to participate in strategic planning or conduct research to gather information for strategic planning. This is an indication that many communication departments are not qualified to make a contribution to strategic planning the researchers state. Therefore, most
PR practitioners are not strategic managers (Grunig and Grunig 2000).

A PR department composed solely of technicians lacks purpose and direction, and any impact is dependent on the planning and decisions of others outside the department (Grunig 1992). Whereas technicians are found in every department, "managers are a necessary component of excellent departments" (19).

Measuring Public Relations Value

A review of the public relations "body of knowledge" finds no specific method in use today that relates the economic benefits realized from public relations (Ehling 1992).

Ehling has stated that outlays for public relations activities beg an obvious managerial question: What is being accomplished in monetary terms? Answers to this question are generally muted, murky, and often misleading (Ehling 1992).

The act of simply "doing" activities is doing nothing to increase the value of PR in the eyes of today’s CEOs and how to measure the value of public relations is in constant debate. Hauser and Katz (1998) suggest the issue
marginalizing the PR profession is what we are measuring and how we are presenting the results.

The majority of measurement research reviewed conceded that outcomes are more valuable a data point than outputs.

However, a 2004 PRtrak-funded study found that 58 percent are devoted to outputs (clip counts, impressions, message points, values) while 42 percent of PR measurement budgets are being directed toward measuring outcomes (business results) (Jeffrey 2005).

Output metrics seem right and easy to measure, Hauser and Katz (1998) say, but have counter-productive consequences on the perception of the value of PR. Public relations practitioners generally agree that copies of media clippings or reports on the value of exposure are inadequate measures (Brody 2005).

Then what is an adequate measure? There is a wide array of opinions on what should be measured and Repper (1992) asserts that no one has a greater desire than the CEO to understand what public relations contributes to the organization.

Public Relations Measures

Grunig (2006) claims that the measurements required to demonstrate PR’s value to an organization are deceptively
simple. H claims that we should measure the nature and quality of relationships to establish and monitor the value of public relations. Te, he says, we should evaluate public relations strategies and tactics to determine which are most effective to cultivating those relationships.

For PR departments, the ability to prove value and return on PR investment has never been more important (Schildge 2006). Because there is no one definitive way to demonstrate PR’s intangible worth, PR often has suffered at budget time and particularly during financial crises (Grunig et al. 2002).

A 2005 survey on the public relations profession as viewed from the C-level, sponsored by PR News and the International Association of Business Communicators (IABC), strongly suggests that, for those PR execs to be viewed as strategic and earn a so-called “seat at the table,” it’s going to take a lot more demonstration on how PR can have a positive impact on the company’s bottom line before they can pull up a chair.

While some progress has been made in PR execs’ efforts to prove their value to their CEOs, the study ascertained, in many respects the status quo remains intact. On the one hand, PR reps are being given more responsibility for the
entire organization; on the other hand, many PR pros still are called into the C-suite to discuss media relations alone.

Within that PR News study, only four in 10 respondents were members of the top management team and almost half were unsure as to whether or not their CEO saw PR as an investment in the future and not just a cost.

Practitioner Carole Howard has a different view. At the end of her 30-year career, Howard stated that PR had become accepted by CEOs of most leading-edge companies as simultaneously a media and a management function, with counseling skills offering as much if not more value than communications skills (Howard 1995).

In addition, evaluation by PR practitioners is sporadic. A 1999 Ketchum survey of 480 marketing and communications executives found only 61 percent of practitioners work from a plan with predetermined, measurable goals (Corder 1999).

If organizations successfully develop relationships with key stakeholders and perform two-way symmetrical communication to learn what is important to the stakeholders, then organizations are more likely to develop goals desired by both the organization and its publics
(Grunig 2006). It also is then more likely to achieve those goals because it shares those goals and collaborates with those publics.

Is it possible for a monetary value to be placed on the contribution that public relations makes to an organization’s bottom line? Dozier says that excellence in management has been the subject of many studies of successful organizations that have defined success, among other things, as profitability (1992).

Another way to look at measuring the value of effective communication, says Lindeborg (1994), is to measure the cost of poor communication leading to increased risk from government regulations, litigation or activist activity.

In 1992 Grunig et al. theorized that effective communication saves money by building relationships that help organizations avoid pressure from activist groups, burdensome regulation, consumer boycotts and lawsuits.

Grunig (2006) also says cost savings is the greatest value PR brings to an organization. It’s not necessarily driving revenue, but excellent PR results in cost avoidance or cost savings. That’s a hard sell to many CEOs.
A review of literature illustrates three additional examples of PR measurement that still do not translate to an organization’s bottom line. Corder (1999) stated that even though there’s little evidence that tracking impressions (the amount of news coverage or articles multiplied by the potential readership of each publication) is an effective ROI tool, more than half (53 percent) of respondents in a 1999 Ketchum B2B Group study still depended on this method of reporting as well.

Secondly, Jeffrey (2005) ascertains that the best possible measure to use is called “share of discussion,” which compares the quality and quantity of media coverage to that of an organization’s competitors. The author outlines two formulas to transform some raw counts into powerful “proof-of-performance” metrics designed to show to management the value of PR – cost-per-message and cost-per-impression.

Finally, advertising value equivalent involves working out how much the equivalent coverage would have cost if an advertisement had been taken out in the same publication and then multiplying that cost to estimate the value of PR (Dowdy 2006).
Any way you look at it, the challenge for scholars and practitioners alike remains to more clearly articulate how effective PR helps organizations fulfill their corporate objectives and mission, whether that is making money, saving lives, or some other expressed goal (Hon 1996).

*Learning about Measuring PR from Marketing*

In a study published in *Marketing Management* in 2006, 12 percent of practitioner respondents stated it’s impossible for them to quantify the success or failure of a PR campaign.

The problem, according to a 2008 report published by the Institute for Public Relations (Paine), is that most people worry more about “how” to do the measurement than about “what” to do with the results once you have them.

Paine suggests removing the term “measurement” from the equation altogether and replace it with “data-driven decision making.” Focus on “getting data with which to make better decisions.” Making decisions based on data saves time and boosts your credibility.

In today’s demanding and dynamic marketing environment, measurement and accountability are imperative (Neff 2005). Academicians have been tinkering with
marketing mix models and other types of ROI strategies for decades (McGuire 2005).

Fortunately, marketers have within their reach a number of techniques to define measurement parameters and gauge success throughout a campaign, whether it is internally or externally focused (Woods 2004).

The first step Woods suggested is to identify the strategic corporate goals that can benefit from the successful planning and execution of communication initiatives. These goals may include: driving sales leads and revenue; increasing customer retention or loyalty; increasing employee satisfaction; and building brand reputation. Woods continued:

Although each goal is often achieved through the combined efforts of many departments, the communication team can define specific aspects of each goal that it can influence. The communication team can’t take complete credit for resulting sales, but it can show a direct correlation between effective messaging and media relations with pipeline development. Operational ties between communication and sales are important financial indicators that CEOs and CFOs understand and relate to. (2004, 16)

Ehling (1992) hypothesizes that the function of public relations is not subjected to rigorous benefits-cost analysis like marketing and sales because management
reduces public relations to low-level communication production activities that are treated simply as a “cost of doing business.” His rationale for this statement includes the following:

1. The chief executive officers and fiscal executives treat money budgeted for public relations as “administrative overhead” along with other costs associated with running an organization.

2. Outcomes of PR efforts are intangible. Full, long-term outcomes or benefits of public relations cannot be quantified, making it impossible to assign dollar amounts to such outcomes.

3. Public relations is regarded as a journalistically oriented, publicity-driven activity organized as a service unit to perform logistically defined duties for other functional areas such as marketing, finance, or personnel. As a result, public relations activity is made subservient to other functional units and ordered to pursue goals or objectives from these other units. (620)

The PR and Marketing Debate

Dozier argues that public relations must emerge as a discipline distinct from marketing and that it must be practiced separately from marketing in organizations (1992).

McGuire alternatively discusses that there are synergies of PR and marketing working together, with PR building buzz and marketing converting the opportunities.
It’s that interplay, that cross-collaboration, that is escalating results (2005).

On one side of the debate, Grunig (2006) argues that if public relations is sublimated to marketing or other management functions, it loses its unique role in strategic management. This results in asymmetrical communication and a competition for resources, which is not an effective strategy for cultivating relationships.

When marketing practitioners manage public relations, Dozier (1992) states, public relations usually is reduced to technique rather than strategy. Public relations practitioners then are mere technicians working in support of marketing rather than public relations objectives.

On the other hand, says Mark Weiner, senior vice president of PR and communications for intelligence firm Cision, PR people may have concerns about sublimation and PR theorists may have problems with it. However, most PR people can't afford to push the argument and most executives are more loyal to positive business results than they are to how one strictly defines PR or marketing (Woods 2007). He continues:

Then there's the practical matter of how PR functions in reality. I would venture to guess that most PR activity -- and thereby funding -- is for the purpose of marketing whether it's promoting a
product, a service, the stock, the company as a good place to work, etc. I think a CEO would not view the question so much in terms of "sublimation," but in terms of doing what it takes to get the job done.

(28)

Strategic public relations is not strategic marketing, Dozier (1992) argues. This is a short-sighted statement some practitioners might say as marketing and public relations are not disparate systems.

Practitioner Claire Spencer, chief executive of I to I Research champions a more holistic approach to measuring PR. “In order to do good research we have to start with the receiver and we measure all communications if we are asked to or not. Consumers . . . consume communication holistically” (Dowdy 2006).

Hutton (2004) emphasizes that business results are driven by the combined efforts of functions working together, rather than the single efforts of anyone. The communication function, he says, should demonstrate its value by engaging with other functions and employing the best communication practices to enable those functions to create value for the business as a whole.
Excellent Health Care Public Relations

Health care PR researcher Kathleen Lewton (1995) credits the inception of health care PR in the 1960s to the onset of hospitals having to compete for patients. Although the primary focus of hospital PR managers over the years traditionally has been communication functions including media relations, community relations, publications and marketing communications, Lewton says the manager’s role gradually has evolved to include responsibility for the entire marketing program. This may additionally include market research, product or business development and business plans.

Much like a management in any other industry, health care management wants solutions to business problems. PR professionals must fill the role of problem solver, Lewton says. Rather than presenting PR tactics as ends in themselves, successful PR professionals should “develop and present their work in terms of its ability to help achieve corporate objectives” (27).

A health care PR department that is focused on activities that address organizational goals is aligned with The Excellence Theory definition of excellent PR.
To determine the potential for excellence of PR departments in U.S. hospitals, Gordon and Kelly (1999) designed a study from secondary research findings and primary analysis of data gathered from a national sample of hospital PR practitioners and CEOs. The study set out to identify characteristics of PR departments likely to contribute to organizational effectiveness.

The authors summarized that public relations departments in U.S. hospitals have greater potential to enact the technician role than the manager role because they lack the expertise or knowledge to practice asymmetrical, two-way communication. Departments that do possess the ability often participate in strategic planning and therefore are more likely to contribute to organizational effectiveness.

A 1987 study by Kotler and Clarke similarly summarized:

In some healthcare organizations where the potential of the PR function is recognized, the PR manager is a vice president and sits in on all meetings involving sensitive information and actions . . . In many more organizations . . . PR is a middle-management function charged with getting out publications and handling news and special events. The PR people are not involved in policy or strategy formulation, only tactics. (466)
Measuring the value of PR in health care can be even more complicated than in other industries. The lead time for a consumer to make and act on a health care decision can be months or even years, so the immediate results are often hard to measure (Thomas 2002). The predominant use of health services is not likely to be triggered by marketing, but will be situational.

Most CEOs interviewed in the Gordon and Kelly study (1999) acknowledged that PR departments are vulnerable because of the difficulty of measuring its value-added contribution, especially in the short term. Marketing usually gets more resources, they say, because the outcomes are generally more immediate.

Measurements more directly attributed to the marketing discipline are more tangible and include measurements such as market share, top of mind awareness and hospital preference. This data is likely to have more validity (and measurability) in the long run than does ROI, says Cision executive Weiner (Thomas 2002).

The following case study addresses these research statements developed upon review of the literature:
Public relations needs to have representation at the strategic level of an organization to be effective -- and therefore, be recognized as excellent.

Public relations activities need to be measurable to be considered of value to executive leadership.

Public relations return on investment needs to be equated to a positive monetary return to be considered of value to executive leadership.

There are unique issues that health care public relations presents to measuring the value of public relations.
METHODOLOGY: CASE STUDY

The following case study defines, illustrates and analyzes a health care PR management program over a period of nearly four years. This research methodology is particularly useful as it collects and analyzes data in depth and also explores many different cause and effect variables of a long-term PR program and its strategies and tactics.

In 1999, Riverview Hospital was experiencing declining market share for its maternity services, a business unit in health care considered to be the gateway to lifetime system loyalty.

Suburban hospitals like Riverview often have to compete with larger, often more sophisticated, hospitals in a neighboring large city. For Riverview, there are three major systems within ten minutes. In order to position themselves against urban hospitals, suburban hospital administrators attempt to market their institutions as providing differentiated and advanced services and programs (Ewell 2004).
The market share decline could be attributed to several factors. The urban hospitals had always advertised in the local market, but they also were increasing their physical presence in Hamilton County. Hospital executives additionally recognized that the hospital’s maternity center was “land-locked” by other departments also needing room for expansion. Riverview’s core facility was built in 1909 and not only was it cost-prohibitive to update the facility, but it simply was impossible to increase the number of patient beds or update core systems that support patient rooms, like heating and cooling, gasses or call systems. All of these factors were vital to the hospital being able to respond to increasing competition and also modernize to be able to provide industry best practices in patient care.

Forecasting the amassing implications of competition and space shortages, Riverview’s administration decided to explore the option of building a new addition dedicated primarily to women’s services (a service line which includes maternity and mammography services).

A multi-disciplinary committee was formed and was comprised of marketing/PR/planning, facilities, purchasing, nursing, quality, information technology and executives.
The team was charged to explore, plan and develop the Riverview Women’s Pavilion, a $19 million, 135,000 square foot addition to Riverview that opened to the community on September 7, 2003.

The following case study utilizes information from marketing, public relations and planning documents created by the author of this study between 1999 and 2006.

Research

For hospitals, a happy birth is an opportunity to start a relationship with a family -- especially with the mother -- that can translate into years of loyalty among the entire family throughout every stage of their lives (Penner 2003). So hospitals are investing in state-of-the-art medical technology and the kinds of amenities savvy, consumer-oriented moms-to-be expect.

Riverview, like most other hospitals, recognized that women drive health care decisions for families and that they often base those decisions on their experiences at the hospitals where they deliver their babies (Penner 2003).

It’s commonly understood in the health industry that women control the household decision-making when it comes to health care (Braus 1997) and that the best way to thrive in the demanding healthcare environment is to gain a
detailed knowledge of the unique wants and needs of those women seeking health care.

An extensive assessment of Riverview’s strategic situation was undertaken to validate the decision to build a new facility dedicated primarily to women’s services. In addition to feasibility study conducted by The Magellan Group, a variety of competitive, environmental and market information was collected and analyzed by the director of marketing, the author of this case study.

Riverview’s detailed assessment included: (1) primary research including focus groups and a quantitative consumer study; (2) secondary market research of health care trends; (3) personal interviews with physicians, board members, and community and business leaders; (4) informal discussions and interviews with volunteers and employees; (5) and a review of demographics, market share, competitors, physicians, customer needs, patient satisfaction, volume trends, financial performance, future demand and utilization forecasts utilizing the hospital’s strategic planning, market intelligence and patient profiling and forecasting system licensed through Claritas and Thomson Reuters.
Demographic Data

The county’s population of about 168,000 in 1999 was projected to grow by nearly to 200,000 by 2004. The median age of the county was thirty-three and getting younger. In addition, Hamilton County had nearly double the U.S. median income, three of every four adults had attended or graduated from college and the county held the highest median home value in the state.

The fastest growing female age segment was women of child birthing age, eighteen to forty-four years. Since the Maternity Center had opened in 1987, deliveries increased by an average of ten percent each year.

Thirty percent of the county’s population fell within the Claritas PRIZM profile cluster of “Kids and Cul-de-Sacs”, which is comprised of married couples with children of preschool age and high utilization of pediatric and obstetric services (Osborn 2001).

The female population forty-five to sixty-four years of age was projected to grow by thirty percent by 2006. This demographic was prime for needing mammography services. The Riverview Women’s Center for Mammography and Breast Diagnostic Services had already been experiencing
steady growth in patient volumes since opening in 1989 and also had no space available for expansion.

**Consumer Study**

In an intensely competitive market, the larger Indianapolis hospital systems were staking their claims in Hamilton County. They were encroaching on suburbia through aggressive community relations and marketing efforts and purchasing land for future development.

Professional Research Consultants (PRC) conducted a consumer study of 600 households in 2000. The study resulted in finding that while awareness of Riverview Hospital overall was slightly increasing, consumer preference was quickly falling.

The county’s consumers’ top of mind awareness was higher for one of the three competitors than Riverview. All three competitors were experiencing increasing awareness, thus resulting in Riverview’s slow but steady decline of share of mind.

**Industry Trends**

In 2000, the health care industry was experiencing consumer-driven health care. Consumers had a choice in where and from whom they sought health care. This was especially true in Hamilton County, the state’s most
affluent and highly educated county. Consumers with more discretionary income had the ability to pay out-of-network premiums and engage in a greater amount of elective procedures.

At the same time, the health care industry was beginning to see research on patient-centered facility and patient-care designs. Concepts of healing design were being applied to facilities across the nation and were purported to have a powerful effect on staff as well as patients. New initiatives were demonstrating that people-pleasing designs and facilities could benefit patients’ health outcomes as well as the organization’s bottom line. (Thomas 2002)

In 2005, The Institute of Medicine (IOM) identified the practice of providing patient-centered care as core to any health care system providing quality care. Further, among the IOM’s simple rules is customization of services based on patients’ needs and values. (Sofaer and Firminger 2005).

Qualitative Research

The value of involving patients’ and family members’ voices in the dialogue about healthcare facility environments is immense if society’s goal is to meet people’s needs (Stern 2003). Riverview had recognized that,
from a financial standpoint, they needed to give the community what it wanted in order to drive patient volumes.

A series of focus groups was held in 2001 with Hamilton County women ages 21 to 64. Riverview asked women of the community what they wanted in a health facility. Resoundingly, participants said they wanted quality care and to be treated with respect.

Women were asked to further define quality and said they wanted a facility to be attractive and inviting -- less clinical than a traditional hospital setting. They wanted a facility to be “hotel-“ or “spa-like” in many respects. And they wanted “one-stop shopping”, their needs catered to, increased accessibility and simplicity, and their family taken care of when the wife/spouse/mother was in the hospital.

Specifically, the list of features and attributes compiled during the focus groups included:

1. Private rooms, privacy
2. Aesthetically appealing: “homey”, hotel or spa-like; warm; nurturing; surrounded by nature
3. Private waiting areas
4. Treat family like guests
5. Respect for individuality
6. Quality care
7. Health resource information
8. Free Internet access
9. Access to retail
10. Convenient and easily accessible
The Women’s Pavilion Defined

After considering all the research, the planning team created a list of services and amenities to be located in the Riverview Women’s Pavilion, including: the Women’s Center for Breast Diagnostic Services; the Maternity Center including its own medical-surgical unit; the Pediatrics inpatient unit; a Family Resource Center that included a library health resources, internet access and a retail boutique; Physician lease space for OBGYN and Endocrinology physician practices; a family overnight suite; a “retreat” for dads; community meeting space; and an entire floor for future development.

Women said they wanted private waiting areas. The Pavilion incorporated several family lounge areas with water features and fireplaces, the Maternity patient rooms were to be private and larger than rooms in the current facility allowing more space for families to visit. The waiting area of the Women’s Center offers comfortable seating and rockers by a fireplace. In the main atrium visitors can sit on benches around small garden areas and a two-story water feature.

Women want to be treated like guests and wanted their family taken care of. The “Dad’s Retreat” in the lower
level of the Pavilion is a special “den-like” retreat for dads and families. The room is decorated in rich tones of butterscotch and sage with warm woodwork and comfortable leather seating. The Retreat is equipped with big-screen television, Internet access and private telephones. Pagers are provided so the family can be summoned back to their patient unit.

Women expressed that natural surroundings would be aesthetically pleasing. Slate was chosen for its natural beauty and streams of river rock tile accent many walkways. Maternity Center nursing stations are encased by custom mosaics artfully depicting flowers, streams of water and river rock paths. Light fixtures echo natural elements, including a wall sconce that represents the fluid form of a Calla Lilly. The fiber optic “starlight” ceiling of the Nursery brings sweet dreams to new arrivals.

Defining the PR Issue

Riverview executives were undertaking the most significant strategic endeavor, capital expense and building addition in the hospital’s 90-year history. It was at this time the director of marketing recognized the opportunity to present to all key stakeholders a “new
Riverview” through an integrated marketing, advertising, and PR campaign.

The news of the addition and its special features undoubtedly would generate “buzz” among the Hamilton County community and was a prime opportunity to further educate consumers as to the services not only to be offered in the Pavilion, but offered at Riverview in general.

There was great opportunity to capitalize on the increased awareness by getting those acquainted with Riverview, as well as those who had no relationship with Riverview, in the doors during one of several grand opening events. Getting the in the doors and experiencing a tour of the facility would demonstrate to consumers that the Pavilion offered the services they wanted in a manner that created a holistic and satisfactory experience.

Planning and Implementing the Campaign

A comprehensive strategic plan was developed to facilitate building awareness and demand for the Pavilion and its services. Objectives were set based on the corporate goals related to: service excellence, market strength, quality, human resources and information technology.
The three objectives set by the marketing/PR director for the Women’s Pavilion campaign were directly related to the corporate goals: (1) Use Pavilion to position Riverview as Hamilton County’s hospital for women directly related to all five goals; (2) Focus employees on patient satisfaction and customer service directly related to service excellence, market strength and human resources; and (3) Build awareness that the Women’s Pavilion is opening directly related to market strength.

The strategic intent of the campaign was to build awareness of the Riverview Women’s Pavilion, thereby building participation in the grand opening of the Pavilion and laying groundwork for the hospital’s strategic intent to be recognized as Hamilton County’s premier hospital for women.

A sustained, integrated marketing communications campaign was developed and implemented to build general awareness for Riverview’s capabilities with particular emphasis on women’s services.

While market share was the ultimate unit of measure tracked by hospital executives, the campaign’s performance also would be measured through:

1. Earned media generated in impressions and ad equivalency
2. Enrollment in women’s health seminars
3. Top of mind awareness and preference
4. Attendance at grand opening events
5. Patient Satisfaction
6. Number of births
7. Number of Women’s Center procedures

Key Messages

The availability of women’s services and the benefits of the new Pavilion were communicated to key stakeholders through an integrated campaign.

The key messages focused on the key drivers of customer satisfaction, as identified through research, including easy access, simplification, respect and sophistication. Key messages were developed with these drivers in mind and consistently carried through all aspects of the campaign.

Key messages included:

1. The Riverview Women’s Pavilion is a new beginning in women’s healthcare. Envisioned by women. And designed to care for all ages.

2. No other health care provider makes quality, sophisticated care so easily accessible.

3. We’ve asked the women of our community what they want in a health provider. Adult women of all ages agree that they want to come to one place for their health services, where their comfort and privacy are assured.
The Campaign

There were four primary opportunities to communicate with Riverview stakeholders: fund-raising, public relations, advertising and marketing activities.

Public Relations

Consumers were not likely to fully appreciate the sophistication of the Women’s Pavilion and Riverview’s clinical capabilities unless they were to receive information about them. The most efficient and controlled way to build general awareness was determined to be through mass media advertising and publicity.

At least one women’s health related story per month placed in local media was a primary public relations goal. In addition, a series of educational events around women’s health issues was created and held during the campaign period.

A substantial women and heart disease educational initiative was implemented during the campaign to promote Riverview’s women’s services and capitalize on growing media awareness and interest in the issue of heart disease in women.

Tours prior to the grand opening offered “sneak peaks” into the new facility. Guided tours also educated
participants of the services to be offered and strengths of the hospital. Before the grand opening, the media was provided with “hard hat” tours that resulted in earned media. Additional tours were held for Foundation donors, and employees and volunteers.

Four separate grand opening events were scheduled to address key stakeholders: this included an invitation-only VIP event for community and business leaders; a grand opening for the community; an event just for hospital employees, physicians and volunteers; and an event just for women who were planning to deliver at Riverview within a defined time period.

Marketing

Marketing initiatives included capitalizing on current stakeholder and influencer relationships to build loyalty and encourage referrals. Communications were coordinated throughout the organization to inform the public of the Pavilion opening. This included enhancing existing marketing communication vehicles delivered through hospital departments and educational programs, and through physician offices with messages about the Pavilion grand opening.

While the medical and professional services located in the facility were core to building future patient revenue,
the manner in which guests were treated and cared for was just as vital in order to create an experience that satisfied patients and their family members – and kept them coming back to Riverview.

The opportunity identified was to provide an experience that took into account the customer’s key drivers as identified in research. An experience consistent with these key drivers would result in higher patient satisfaction, thereby patient loyalty and market share.

Every department located in the Pavilion, as well as every department of Riverview Hospital, was directed to address customer satisfaction as a corporate goal.

The marketing director developed a formalized customer service program that included “guest ambassadors” who greeted every visitor coming in to the facility through the main atrium complete with mini-garden and a four-story water feature. These ambassadors set the tone for the experience by ensuring the guests has access to the information they needed, escorting them to the area they were to visit and making their experience as pleasing and simple as possible.

As part of the Pavilion planning team, Marketing stressed the reinforcement of “concierge” style services in
the Women’s Pavilion. As a result, amenity kits were customized through a local vendor and placed in each Maternity patient room, room service was made available 24 hours a day, separate play areas were incorporated for children and quiet areas for adults, and a “retreat” was built for dads and included a big screen television, recliners and stocked kitchenette.

Advertising

Launch of the Women’s Pavilion $60,000 advertising campaign occurred in August and September within a defined geographic region, saturating the target audience of Hamilton County adult women.

Throughout the campaign, Riverview continued its annual ad rotation and increased frequency two months before the opening. The media mix included network and cable television, radio, print ads, Internet ads and billboards. In addition, a tabloid special section about the Pavilion and women’s services was written by Riverview and included paid vendor ads supporting the initiative.

Finally, a series of direct mailings targeted women between the ages of 25 and 54.
Fund-raising

The marketing/pr department additionally supported the communication efforts of the Riverview Hospital Memorial Foundation that sought to raise $3.5 million through a capital campaign entitled, “A Woman’s Place. Our Place.” These funds were to assist with the completion of the new Pavilion and endow women’s programs for lifetimes to come.
RESULTS

Not only was the Pavilion well received by the community, Riverview employees and volunteers demonstrated excitement and took great pride in the new addition. Nearly 150 full- and part-time employees and volunteers donated their time to participate in multiple events supporting the grand opening.

Quantitative Results

Total grand opening event attendance was 3,000 -- well ahead of the goal of 2,000 people. A non-scientific, random sampling of 100 community open house guests indicated 30 percent were not currently utilizing Riverview services.

Substantial media coverage included live remotes by television and radio stations; every television network in the market covered the grand opening. Total Nielsen audience for earned broadcast media was 800,203 and ad equivalency was $23,400. The total dollar amount spent on network advertising during the campaign was $52,000, thus resulting in a negative ROI specifically for network television spending.
There were fifty-three births in first seventeen days the Pavilion was open. Several mothers-to-be rescheduled their C-sections so they could give birth in the new facility. An all-time record ninety births was recorded in the first thirty days. This was a twenty percent increase over any other prior month. Year-end birth volume was 876 in 2003, a ten percent increase over the previous year; growth in birth volume had been stagnant or declining for several years prior.

The Memorial Foundation surpassed its goal of raising $3.5 million and received pledges in the amount of $3.9 million. The incurred cost of the marketing/public relations department’s efforts to assist the Foundation in communications, marketing materials, production of a five-minute video and other incurred costs was less than $65,000 and the Foundation’s costs totaled $40,000. This resulted in net revenue of nearly $3.8 million.

A consumer study conducted by Professional Research Consultants one year after the opening of the Women’s Pavilion indicated Riverview’s top of mind awareness had grown despite significant investments in the market, designed to counteract Riverview’s aggressive campaign, by the three competing hospital systems in marketing, public
relations and advertising. Two of three hospital systems significantly lost ground in consumer mind share from 2000 to 2004, while Riverview held its ground. Consumer recall of having seen a health care advertisement in Riverview’s market area increased from 54 percent in 2000 to 76 percent in 2004, well above the U.S. norm of 56 percent, according to the 2004 PRC consumer study.

The 2004 PRC Study resulted in the following additional findings:

1. Riverview was, for the first time, named the best hospital in area for Maternity services.

2. Riverview Hospital’s greatest strength was identified by consumers as Women’s Services/Maternity Care.

3. Study participants named the hospital’s greatest quality attributes as hospital room/appearance, caring employees and quality of doctor care.

4. Awareness of maternity and women’s services increased by eight percent.

5. Riverview’s market share increased from the year 2000 by three percent.

Additionally, a 2004 communications audit of Riverview staff and volunteers conducted by the Riverview Marketing Department indicated significant increases since 1998 of staff and volunteers “showing caring attitude to one another” and a “caring attitude toward guests”.
DISCUSSION

The Excellence Study found that CEOs assigned a higher value to PR the more involved the function was in strategy in their organizations (Grunig and Grunig 2000).

The Women’s Pavilion campaign and its long-term impact on Riverview’s bottom line would not have been as successful if the PR function had not also been involved in the setting of corporate goals, research and planning of the Women’s Pavilion.

Public relations should have representation at the strategic level of an organization to be effective -- and therefore, be recognized as excellent.

Minimally, this case study should demonstrate to PR practitioners that tactical activities should be tied to strategic corporate objectives at all times.

Convergence of Public Relations and Marketing

The definition of converge is to “come together.” Some PR professionals may be reluctant to embrace the convergence of PR and marketing because they fear one discipline will consume the other (PR Newswire 2009).
There is continued great debate that public relations must be seen as a discipline distinct from marketing. As part of a holistic strategic plan, marketing, public relations and even advertising should work together to impact the measure of success. This method of integrated communication makes the point that an organization’s messaging must be communicated consistently through all channels at all times (Kotler 2005).

Hutton (2004) emphasizes that business results are driven by the combined efforts of functions working together, rather than the single efforts of anyone. The communication function, he says, should demonstrate its value by engaging with the other functions and employing the best communication practices to enable those functions to create value for the business as a whole.

Value, therefore, is created by the interaction of the functions and the way they manage and interact with internal and external stakeholders.

In the case of the Riverview Women’s Pavilion, all functions involved in the long-term success of the new facility worked together to create success in the eyes of the executive leadership. Marketing, public relations and advertising were inextricably tied together in planning
along with facilities, nursing, purchasing and many other departments.

This case study serves as an illustration of the importance of these communication disciplines working in tandem to create an excellent organization. After all, consumers consume communication holistically (Dowdy 2006). They can’t separate the messages of PR, marketing or advertising.

Professionals who are blending public relations and marketing tools are reaping the benefits: greater results and greater ROI. Rather than marketing eclipsing public relations, it’s elevating the practice to new heights and making the need for each discipline more relevant (PR Newswire 2009).

Practice vs. Theory

Why are academics like Grunig and Dozier trying to divorce the functions of PR and marketing?

It comes down to practice versus theory. There’s a place for theory in academia, but as far as theory proving whether or not public relations is excellent in practice is unrealistic.

Capitalizing on the voices of influencers (current patients, physicians, donors, etc.) and using media as the
vehicle to reach the target stakeholder (women) was key to successfully building awareness and credibility of the Riverview Women’s Pavilion, and key to the facility’s successful launch. This was accomplished by integrating the disciplines of public relations, marketing and advertising.

Success and demonstrating contribution to the bottom line also was attributable to the efficiencies in message dissemination and in the savings of time it would have taken for a PR manager to be involved in each and every activity to ensure excellence.

Collaboration resulted in the ability to develop consistencies in goal setting as well. As the facilitator of hospital strategic planning, the marketing director encouraged measurable objective setting for the Women’s campaign across marketing, PR and advertising.

Admittedly some results were intangible (qualitative) and some tangible (quantitative). As whole, the measurement reflected positively on PR and helped to raise the perception of PR as a strategic function among executive leadership.

In the end it’s not collecting and tracking data for data’s sake. PR practitioners should learn to measure what’s important and when it’s important. It’s about what
the CEO values. This is because what is considered valuable data is all in the eyes of the dominant coalition.

What About PR is of Value?

Public relations value is not defined by public relations academics or even practitioners. It’s determined by the dominant coalition - particularly the CEO, and the CEO is most concerned about pleasing the executive board. In the case of the Women’s Pavilion, the author was able to demonstrate positive return on investment in terms of fundraising, but the greatest amount of positive feedback received was when board members told the CEO that they were pleased to have seen the story in the paper or the advertisement on TV. And this was not a quantifiable measure of success.

Another activity that was quantified was the return on the investment in television advertising. This was not a favorable in that the cost of TV ad placement was greater than the ad equivalency generated from earned broadcast media. Despite this negative return, the campaign still was seen as successful to the executive team. This contradicts the assumption that a positive ROI is a vital measure of success for campaigns.
To determine what is of value – ask the CEO and then report on what is important to the CEO. Not just what the PR professional thinks is important.

Additional data that demonstrates contribution to the bottom line is useful but the PR practitioner must create opportunities to present this data, not only to the CEO, but also to as many members of the executive team as possible. Discussion of the data makes it more visible and tangible, and therefore the PR function more visible and tangible, to executives.

The more members of the dominant coalition a PR practitioner can inform of their department’s contributions and not just cost savings, the more strategic the function will be regarded.

Public relations’ greatest value is not necessarily cost avoidance, as Grunig suggests, but contribution to relationships that directly result in loyalty. In health care, it takes years and sometime lifetimes to be able to measure contribution to the bottom line.

One area of study may be PR value forecasting. Health care PR practitioners should attempt to forecast the value of new patients to a health system, much like a pro-forma for a new service or facility. This would help to align PR
with widely accepted strategic disciplines including planning and business development.

Limitations

A sales manager would be able to track how much revenue was brought in as a result of a campaign. In health care however, patients have to be tracked over a lifetime. This length and degree of measurement is unrealistic in health care, especially when you add in the factor of protecting patient privacy.

When a patient must select a certain hospital or physician because of their health plan, then it’s not accurate to consider these patients as a result of communications efforts. But when patients have a choice -- as they still often do today in affluent areas such as Hamilton County -- then the assumption can be made that PR, marketing and advertising activities influenced this choice.

Also, there is little research specifically measuring PR impact in hospital settings or PR practitioners’ value to health care organizations. Little research has been conducted since Gordon and Kelly’s 1999 study of PR in U.S. hospitals.
As the case study illustrated, there are many contributions that communications makes to the bottom line of health care organizations. However, PR practitioners, marketers and advertising professionals alike must set objectives collectively before engaging in activities. Quantification becomes much more tangible when these three disciplines work together, especially under the direction of a single professional who is involved in the strategic planning process.

Conclusion

This study set out to provide insight for health care PR practitioners as to becoming regarded as “excellent,” that is, contributing to bottom line success.

Some PR professionals think one dimensionally and talk of media coverage as if it’s the only result that matters. But what in fact is the result of that media coverage? Can its impact on the organization’s bottom line be measured? This is a chronic weakness of public relations.

In reality, what’s important is what’s important to the CEO. This typically includes a contribution to the bottom line. Quantifiably this could be defined as cost savings, new revenue, return on investment at the
activity/tactic level, direct response campaigns, event attendance, new customers or patient volume increases.

Being strategic is not about one factor of measurement, such as ad equivalency, but the convergent impact of every communication discipline that contributes to the development and dissemination of key messages across all stakeholders.
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