

The State of Healthcare Marketing 2021

The survey results are in. Hear how healthcare marketing is evolving, including the top goals, challenges, and investments healthcare organizations are making this year.



The State of Healthcare Marketing 2021

No year passes without change, but 2020 was in many ways profound. Tumultuous, you might say, given all the new challenges that faced the healthcare industry. How patients seek and receive care underwent fundamental shifts, which extend directly to the world of marketing.

In many ways, healthcare marketers are in the spotlight more than ever before. After all, who else is responsible for keeping up with and adapting to the increasingly digital, increasingly remote consumer behaviors? To help get healthcare organizations the information they need to adapt, we conducted a survey to assess the current state of digital marketing in healthcare. Namely:

- How other organizations adapted
- The digital strategies that have been most effective
- Where to best invest marketing dollars
- How their strategies compare (are they remaining competitive?)
- Are there opportunities that will help them succeed in 2021 and beyond?

We surveyed more than 110 healthcare marketers who manage the marketing functions at a wide range of healthcare organizations, including hospitals and health systems, specialty clinics, primary care facilities, and behavioral health centers.

- **65%** were responsible for marketing strategy
- **35%** were CEOs, COOs, owners, doctors, or directed practice operations
- **66%** were from specialty clinics and **31%** from hospitals or health systems

The survey was conducted over a period that spanned January and February 2021. What follows are the results, as well as some discussion and key insights we found most helpful.

81% of survey respondents say increasing patient volume is their top goal.

Executive Summary

Let's not beat around the bush: 2020 was difficult for most everyone in healthcare. The pandemic resulted in many healthcare organizations temporarily closing, or severely restricting capacity. Frontline healthcare workers were at times overwhelmed, with supplies, beds, and therapeutics often in short supply.

Patient Volume & Sentiment Take a Hit

All of which had a direct impact on healthcare consumers. Patient volume suffered as consumer fears grew, with 62% of survey respondents reporting patient volume was down (20% of those saying it had decreased a lot). It's no surprise that 81% of survey respondents said that increasing patient volume is their top marketing goal.

The uncertainty and fear that characterized 2020 affected more than patient volume. Patient sentiment and loyalty wavered across the healthcare industry. As a result, improving patient loyalty is another top priority in 2021.

Investments in Virtual Care and Digital See Uptick

This uncertainty is also fueling investments into telehealth marketing. Telehealth and virtual care offerings have proven effective in maintaining continuity of care, especially for patients who are still nervous to receive care, or who simply cannot take the risk as a result of their condition. Indeed, 49% focused on increasing telehealth awareness. Of all marketing tech investments, online scheduling

10% of respondents said that 100% of their marketing budget is invested in digital tactics.

was the top new investment for 2021, with 20% of respondents indicating they planned to use online scheduling in 2021.

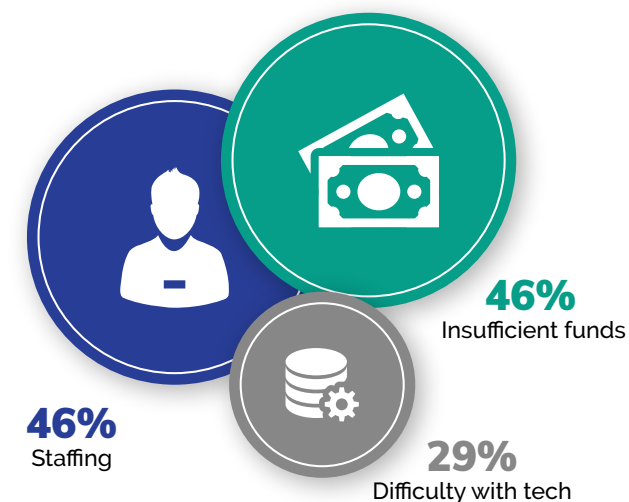
Beyond telehealth, investments into digital marketing continue to increase across the board. Our survey revealed that 45% of healthcare marketers invest 41% or more of their budget into digital marketing. A full 10% of respondents said that 100% of their marketing budget is invested in digital.

The top three digital strategies healthcare organizations are investing in are search engine optimization (SEO), paid social, and Google Ads.

Implementation Remains a Key Obstacle

Demand for digital is strong, but healthcare organizations still struggle with implementation. Top hurdles impeding digital marketing program success are lack of staffing (46%), insufficient funds (46%), and difficulty implementing and integrating marketing tech (29%).

Executive buy-in is not a big issue for most organizations anymore, with only 10% citing it as a barrier to implementing new digital marketing strategies. It appears more healthcare organizations have realized the opportunities digital provides and are supporting them.



Top Hurdles Preventing Digital Success

Marketing Budgets to (Mostly) Stay the Course

Budgets are not projected to change dramatically in 2021, though more reductions (39% total) are planned than increases. Here's how the marketers we surveyed plan to handle their marketing budget:

- No change (**39%**)
- Slight increase (**15%**)
- Slight decrease (**32%**)
- Slight reduction (**32%**)
- Extreme reduction (**7%**)

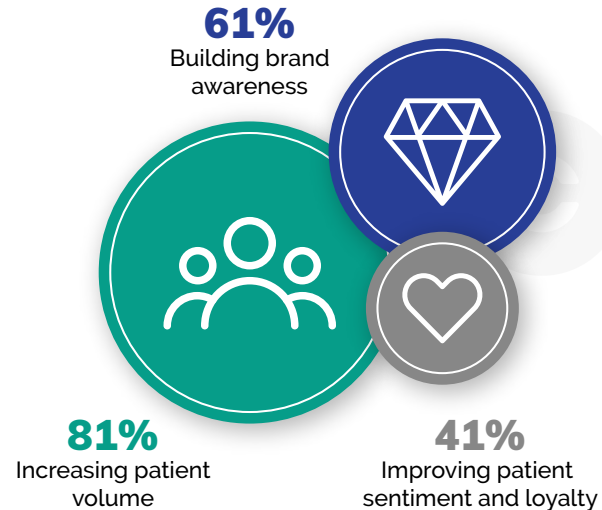
Finally, when asked to express their confidence in their marketing strategy's effectiveness, most respondents (46%) rated effectiveness as a 4 (on a scale of 1-5), while 7% rated effectiveness as a 5. It's interesting to note that people are aligning more of their budgets and priorities where patients go for information (the Internet).

Key Findings from the 2021 State of Healthcare Marketing Survey

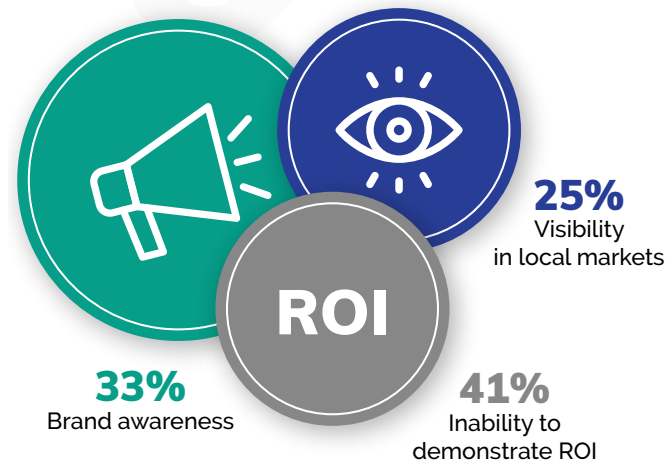
Again, some uncertainty remains for 2021. Overall, 37% of respondents were unsure if they would see business as usual performance in the next 6 to 12 months. On top of that, 15% did not expect a return on their marketing investments at all. Yet the majority were optimistic, with 48% expecting business as usual performance to return in 6 to 12 months.

Top 3 Goals, Challenges, and Investments in 2021

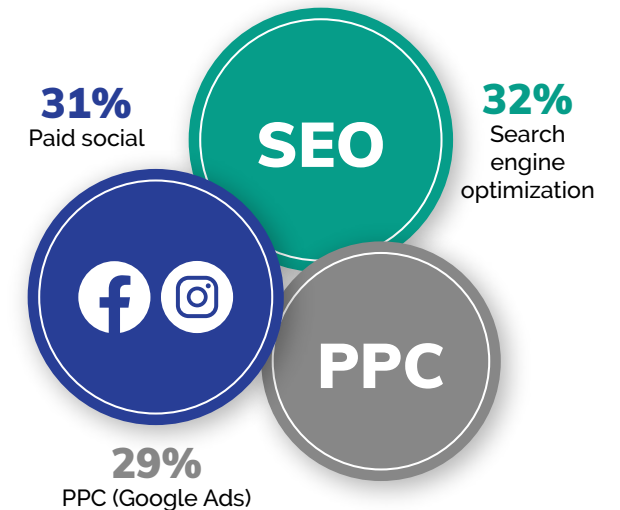
Top Marketing Goals



Top Marketing Challenges



Top Digital Strategy Investments



**53% investing
in digital
ads in 2021**

**75% currently
use Facebook**

**50% currently
use Google Ads**

A Closer Look At Digital Advertising

We know pretty definitively that digital advertising is a top priority and investment—53% of respondents are planning digital advertising initiatives in 2021. However, our survey revealed some interesting insights as to where that money will go.

FB is the top digital advertising channel

- **75%** of respondents who invest in digital use Facebook currently
- **8%** are planning to start investing in Facebook advertising in 2021
- **31%** are increasing investments in paid social ads

Investments in Google Ads are shifting and are not as strong as Facebook

- **50%** of respondents currently use Google ads
- **22%** of healthcare organizations are decreasing investments in Google Ads
- **28%** of healthcare organizations are increasing investments in Google Ads

Strong confidence in digital advertising as an effective way to increase patient acquisition

- **29%** believe digital ads are extremely effective at patient acquisition
- **39%** believe it is somewhat effective at patient acquisition

Where Search Engine Optimization (SEO) Fits In

Once the frequently neglected corner of digital marketing, SEO now factors centrally in most healthcare marketing plans: 65% of respondents said they have an SEO strategy in place. Yet, even though more than 60% believe SEO is effective, 33% of respondents are unable to determine its effectiveness, indicating that there's still more work to be done.

This lack of understanding of SEO's effectiveness may stem from a lack of marketing tool use. Only 33% of marketers currently use SEO analytical tools like SEMRush and Ahrefs and only 28% use reporting tools like Data Studio.

To overcome this knowledge gap and gain more insight into the effectiveness of their SEO strategy, 13% of marketers are making new SEO and reporting technology investments in 2021.

Tracking Marketing ROI Remains Elusive, But Not Without Hope

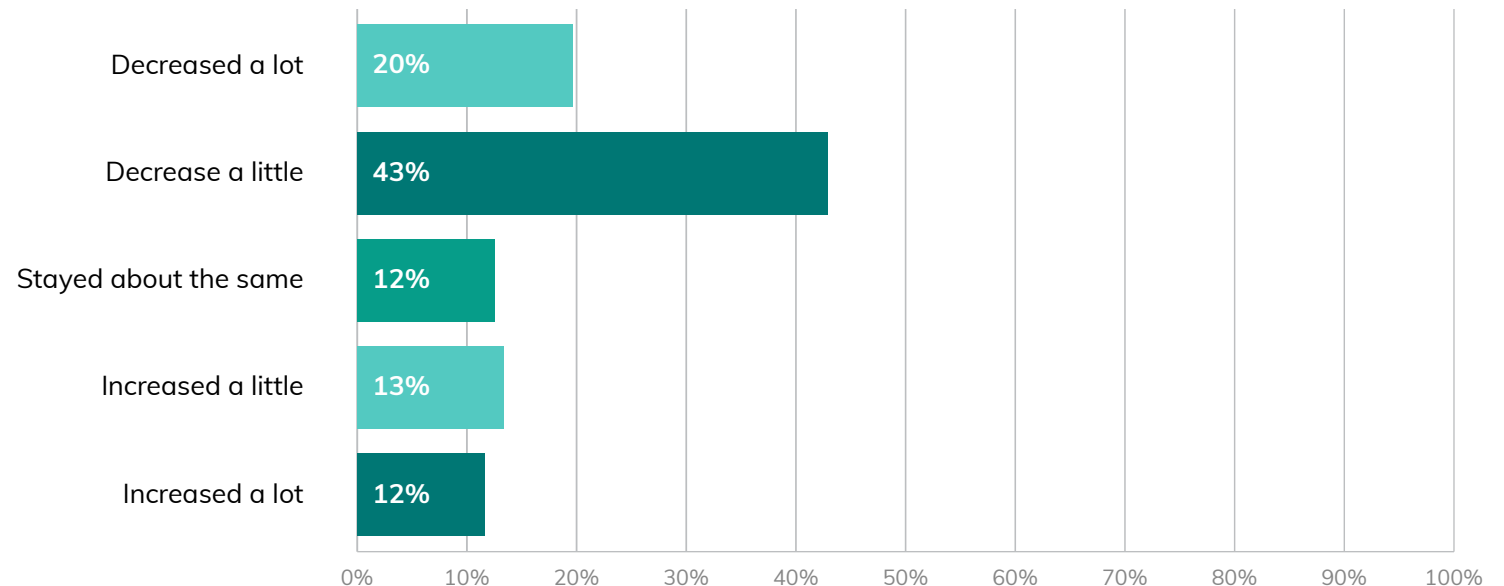
At a time when margins are razor-thin and budgets are in flux, measuring and demonstrating the performance of marketing strategies is essential. Yet, 24% of respondents are still challenged to connect the dots and cite an inability to demonstrate marketing ROI as a top marketing challenge.

Overall, here's how well respondents said digital enables them to track the ROI of their marketing efforts

- Somewhat successful (**50%**)
- Very successful (**17%**)
- Extremely successful (**7%**)

Q1

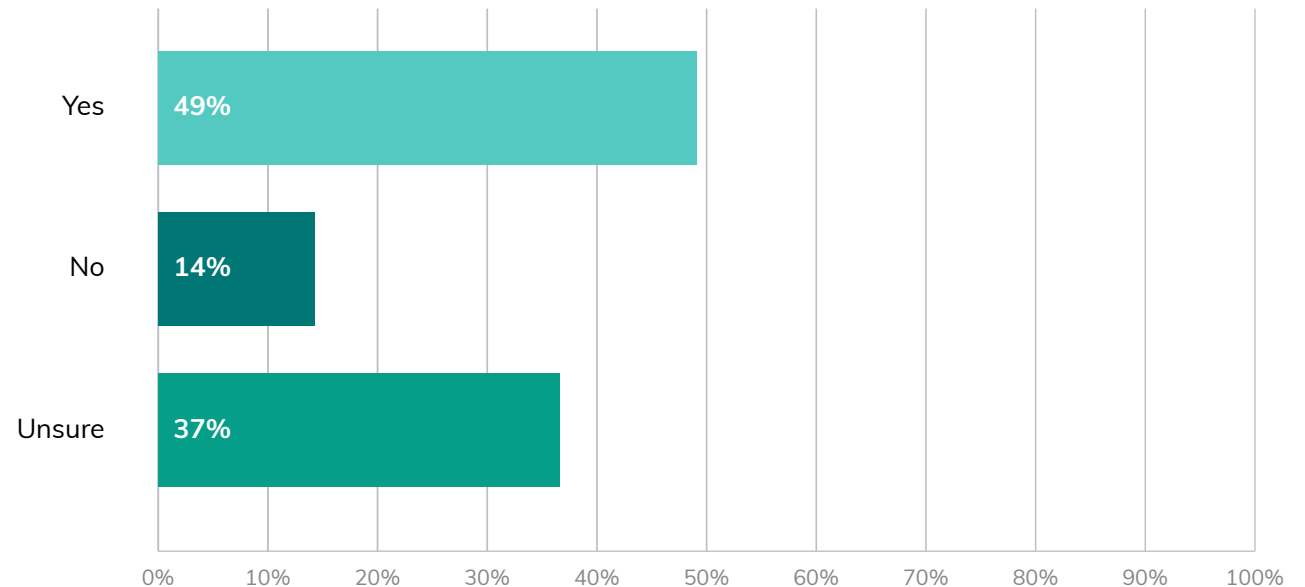
How did your patient volume change in 2020?



The effects of the pandemic were felt by the majority of survey respondents, with 63% reporting that patient volume had decreased to some extent.

Q2

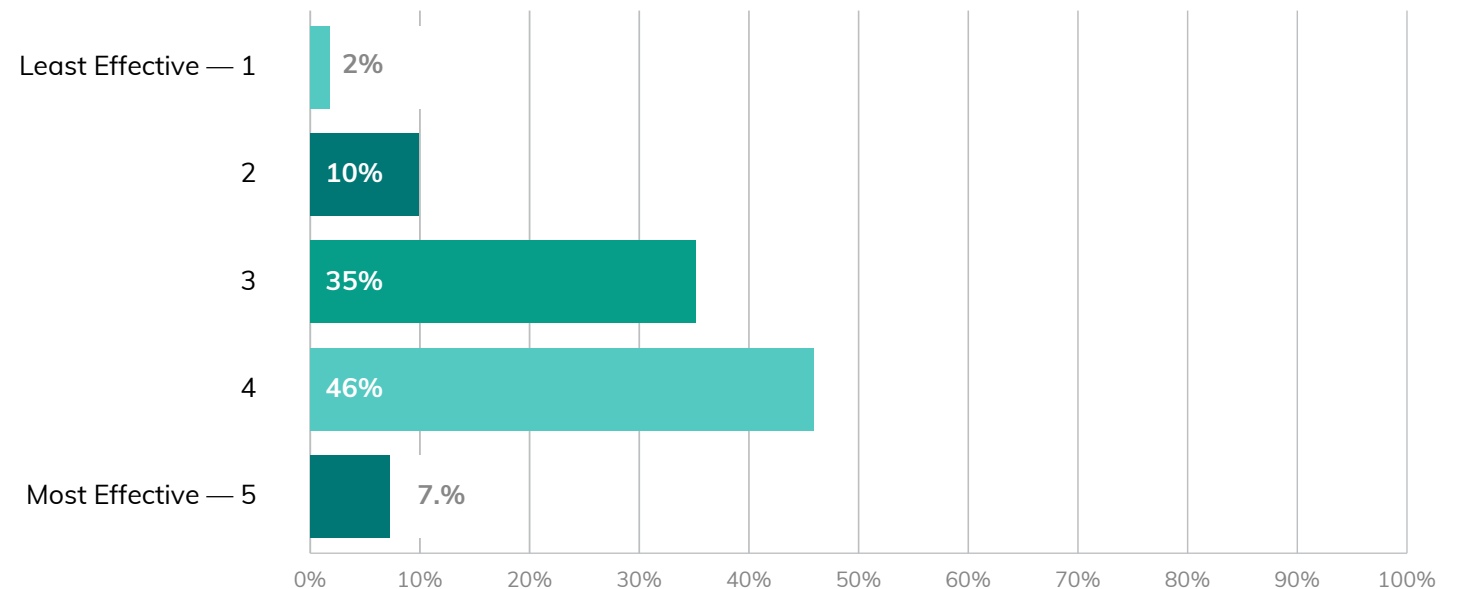
Do you expect a return to business-as-usual performance in the next 6 to 12 months?



Uncertainty lingers in 2021. Overall, 37% of respondents were unsure if they would see business as usual performance in the next 6 to 12 months.

Q3

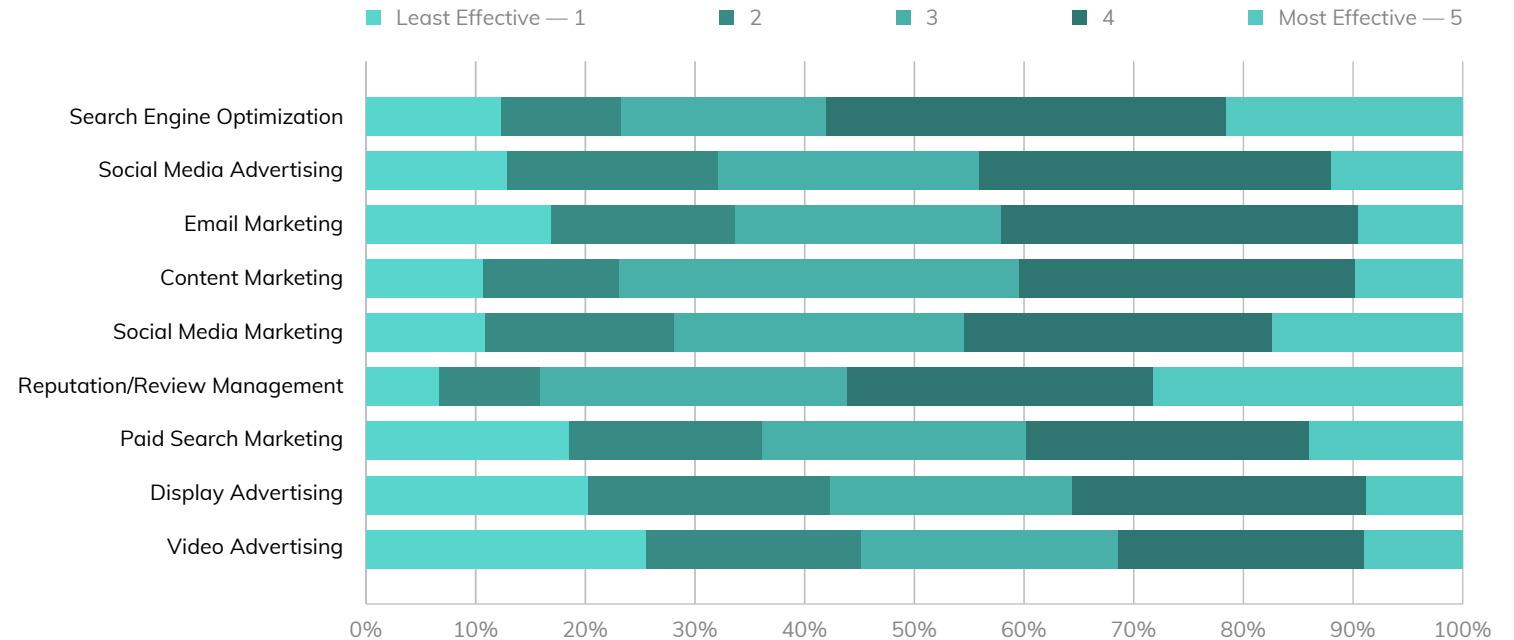
How would you score the overall effectiveness of your marketing strategy?



Overall, more than 50% of respondents were fairly confident in the effectiveness of their marketing strategy, ranking the effectiveness as either a 4 or a 5.

Q4

Score the effectiveness of each marketing strategy.



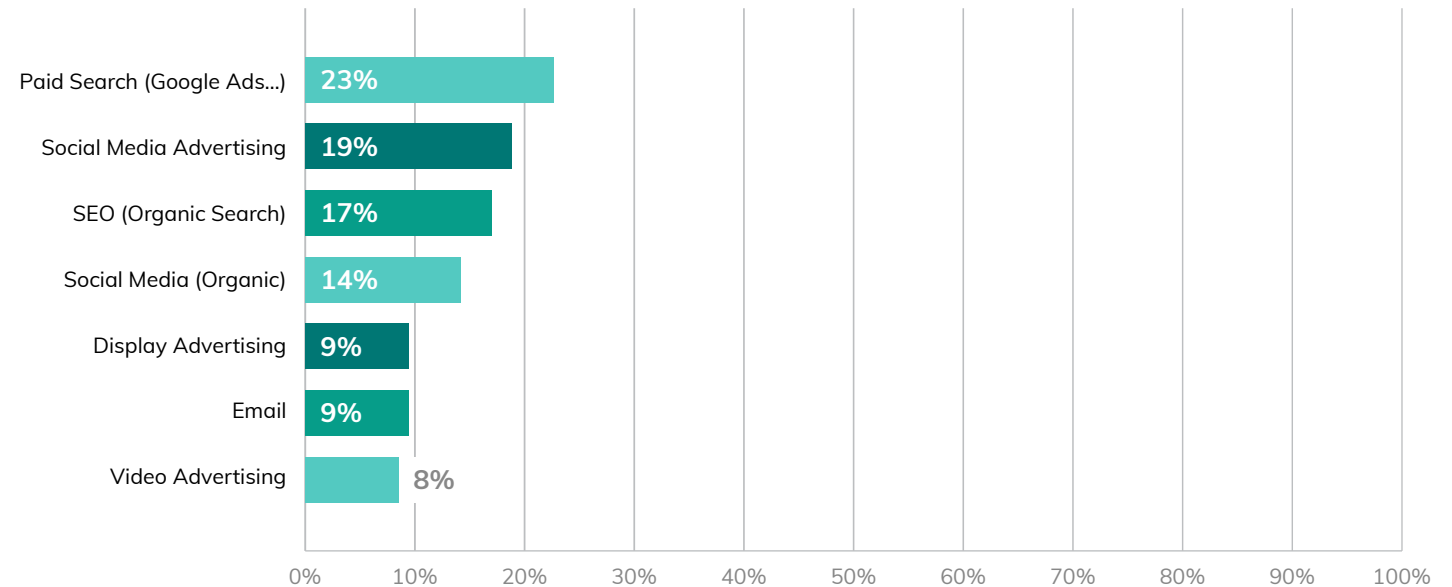
The strategies that respondents reported as most effective were reputation management, SEO, and social media marketing. Looking at those who felt SEO was most effective, 90% have a strategy in place.

The strategies that respondents were most unsure of effectiveness were video advertising and display advertising.

Q5

What digital marketing channel has proven most effective at attracting new patients?

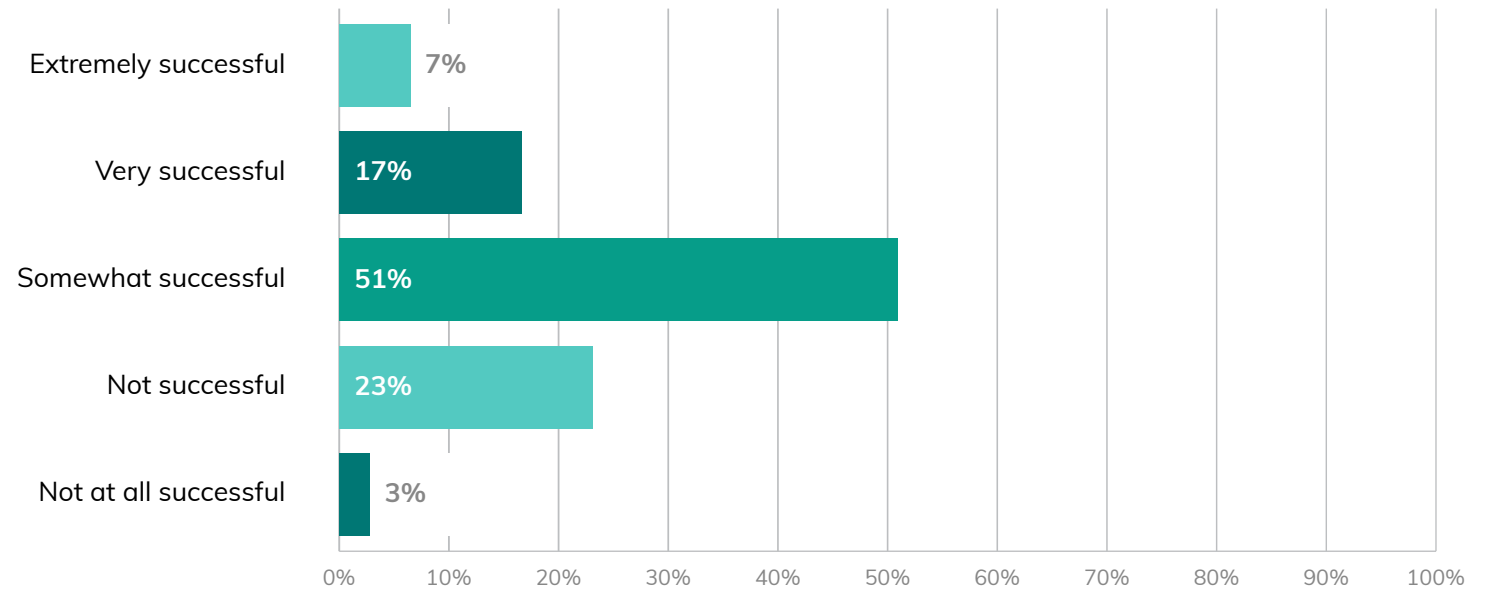
(Select one)



Our respondents indicated that Google Ads have proven most effective at attracting new patients. As healthcare consumers increasingly turn to Google Search or Google Maps to find a provider and schedule an appointment, Google Ads will remain effective.

Q6

How successful is your organization at tracking the return on investment (ROI) of your marketing efforts?

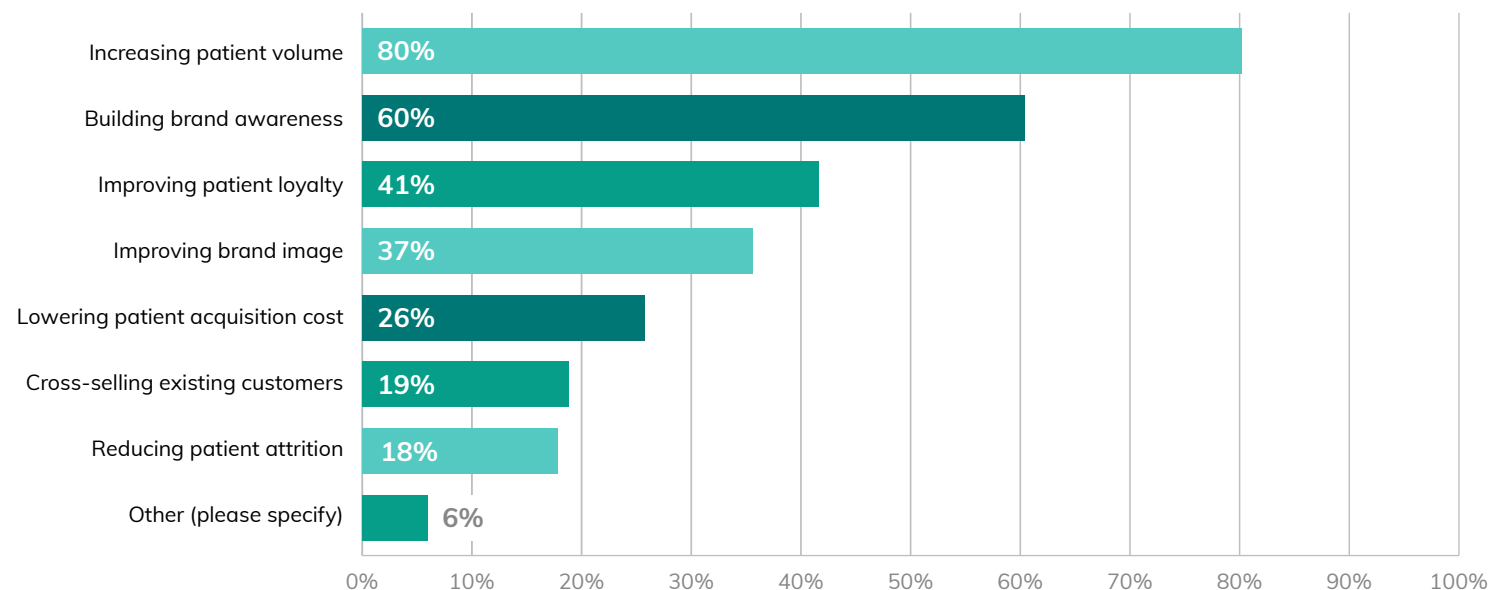


The majority of respondents had some level of success tracking the ROI of their marketing efforts, while 26% did not think they were successful.

Q7

What are your top marketing goals in 2021?

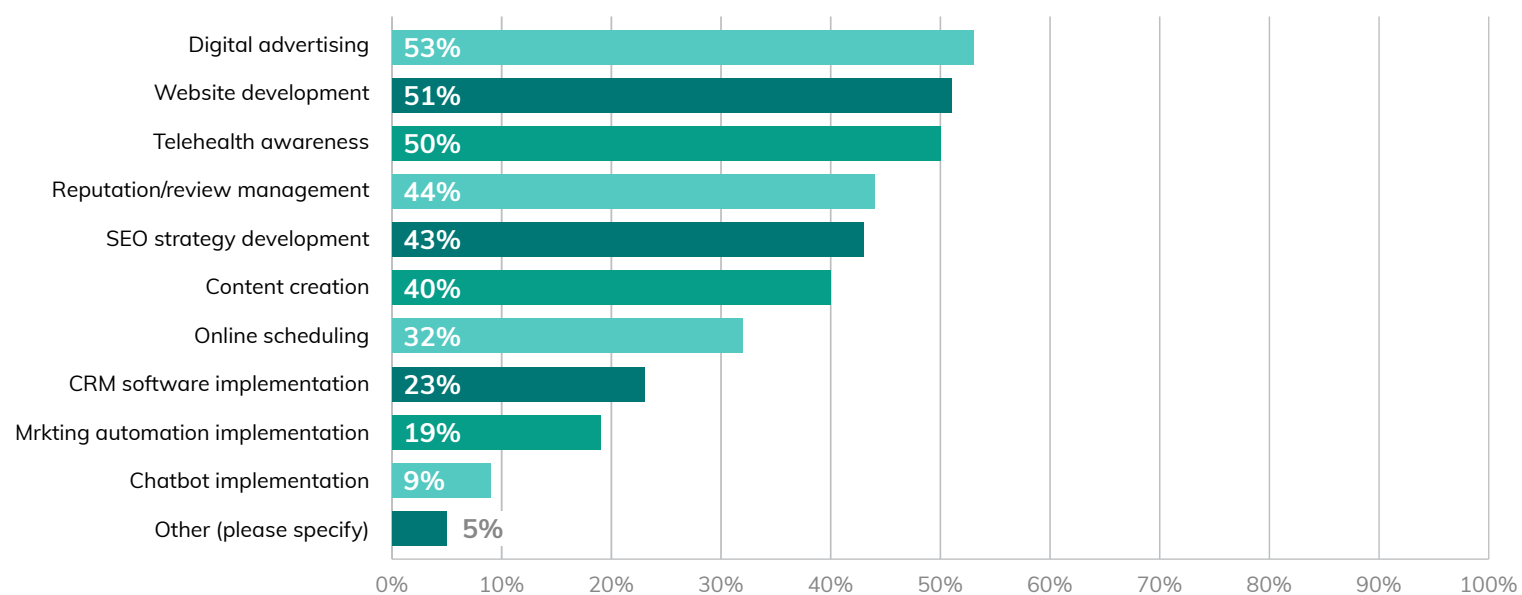
(Select all that apply)



After patient volume collapsed for many healthcare providers in 2020, it's not surprising that the top goal for 80% of respondents is to increase patient acquisition in 2021.

Q8

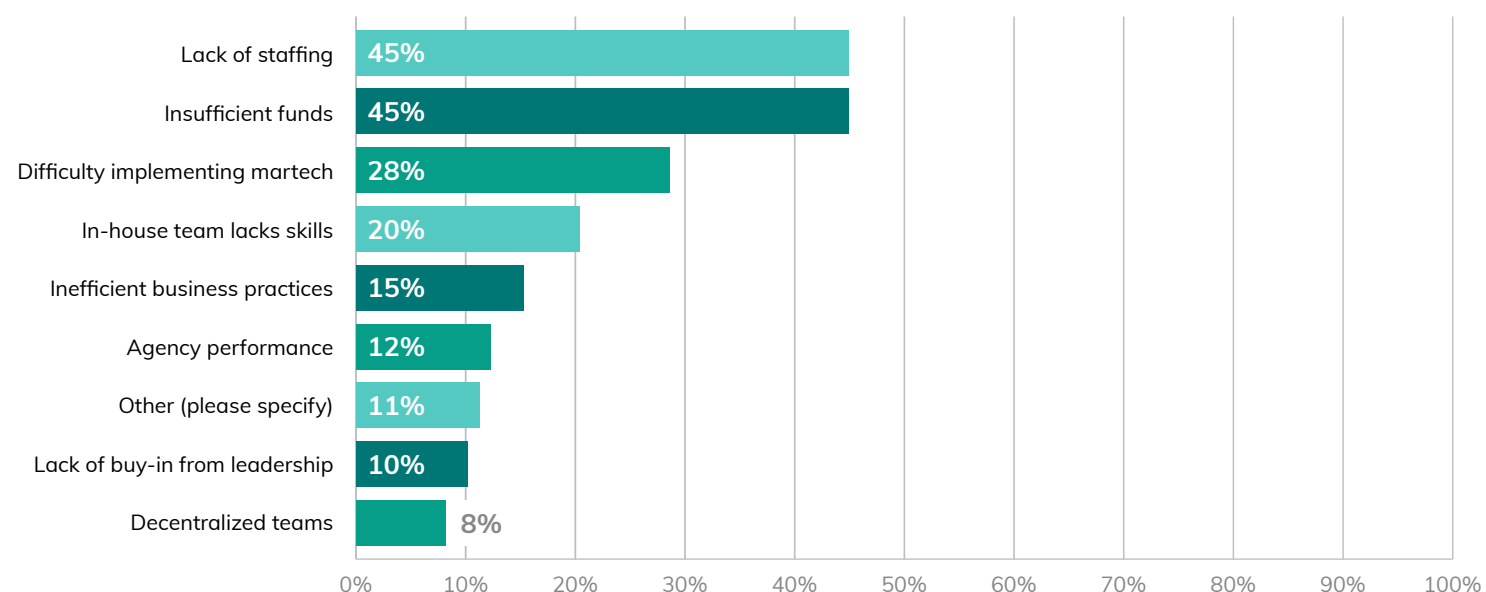
What projects or initiatives are you planning for 2021?



More than half of respondents are planning digital advertising, website development, and telehealth awareness projects in 2021. Other projects cited include attribution modeling and building communication strategy for post-pandemic world.

Q9

What are the top barriers impeding your digital marketing program? (Select all that apply)

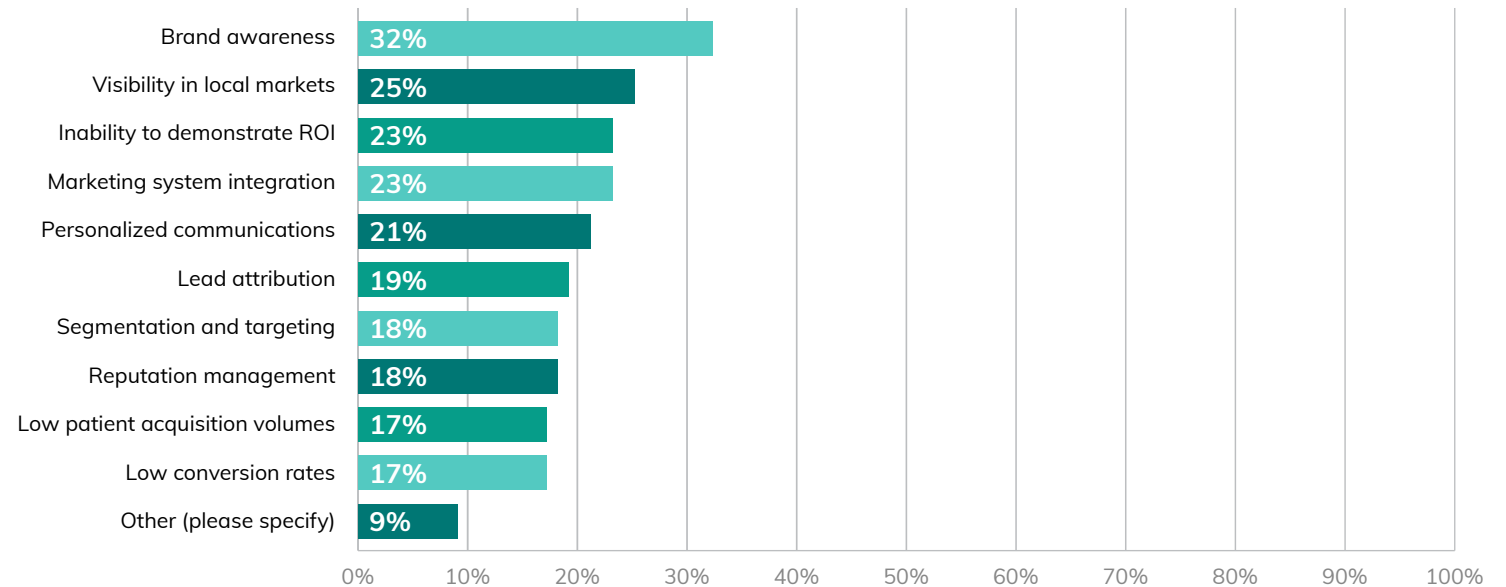


As the digital transformation in healthcare accelerates, the top hurdles impeding digital marketing program success are lack of staffing, difficulty recruiting marketing talent, insufficient funds, and difficulty implementing and integrating marketing technologies and tools.

Q10

What are your top marketing challenges?

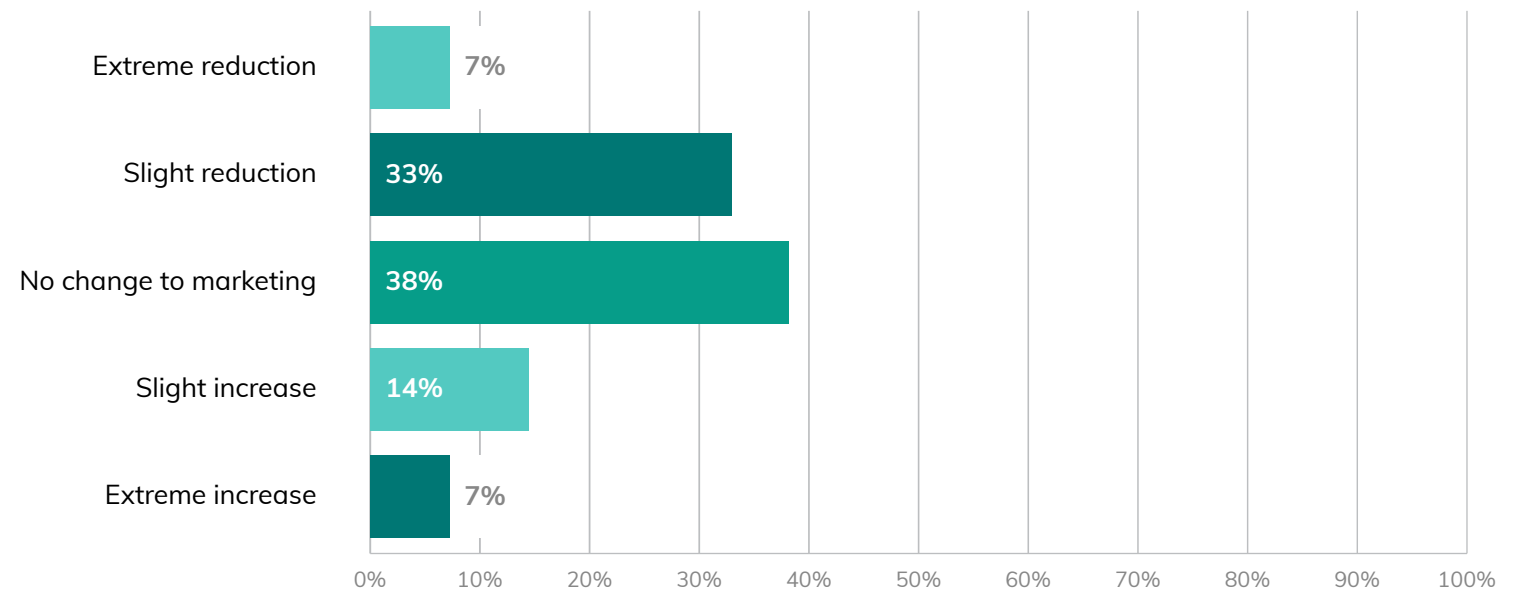
(Select all that apply)



In crowded markets, organizations can struggle to capture consumers' attention. This makes increasing brand awareness and visibility in local markets a top challenge for many respondents.

Q11

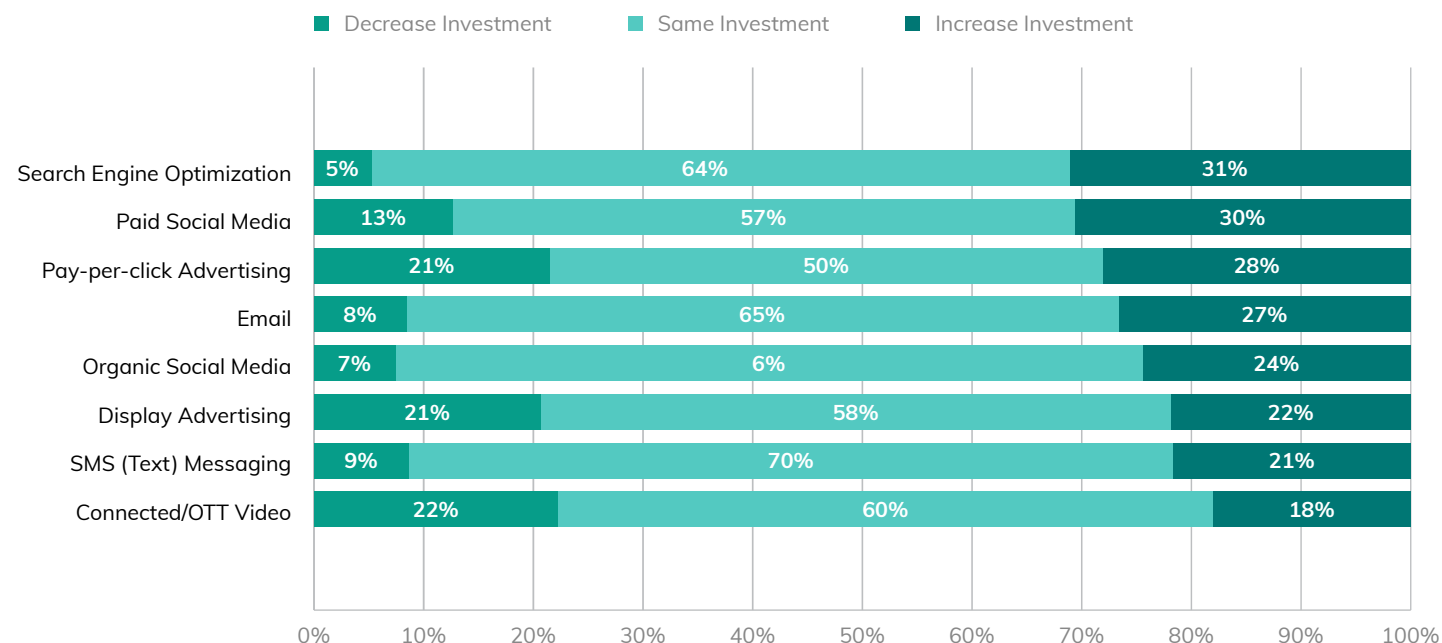
How has your 2021 marketing budget changed?



While the majority of respondents were either making no change or slightly reducing their marketing budgets, 21% were increasing their budgets in 2021.

Q12

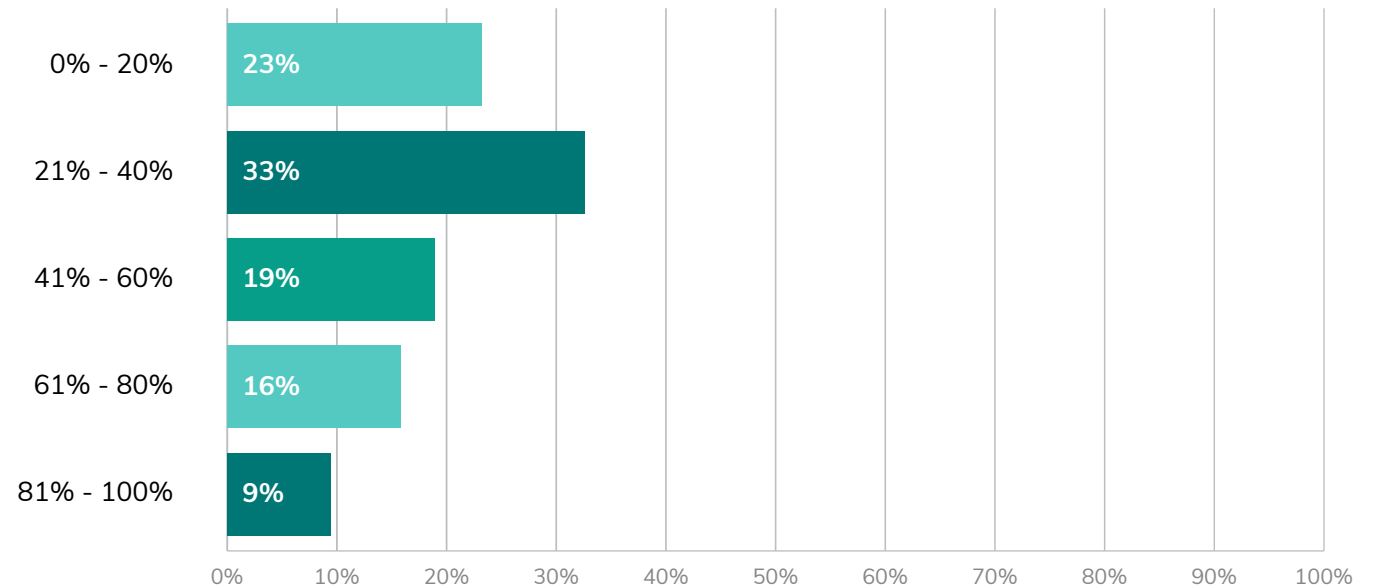
How will your investments in the following strategies change in 2021?



The majority of respondents weren't planning major changes to their digital marketing strategies; 50-70% plan to keep the same investments in 2021. The biggest increases respondents reported were into SEO, paid social, and PPC advertising.

Q13

% of marketing budget invested in digital marketing

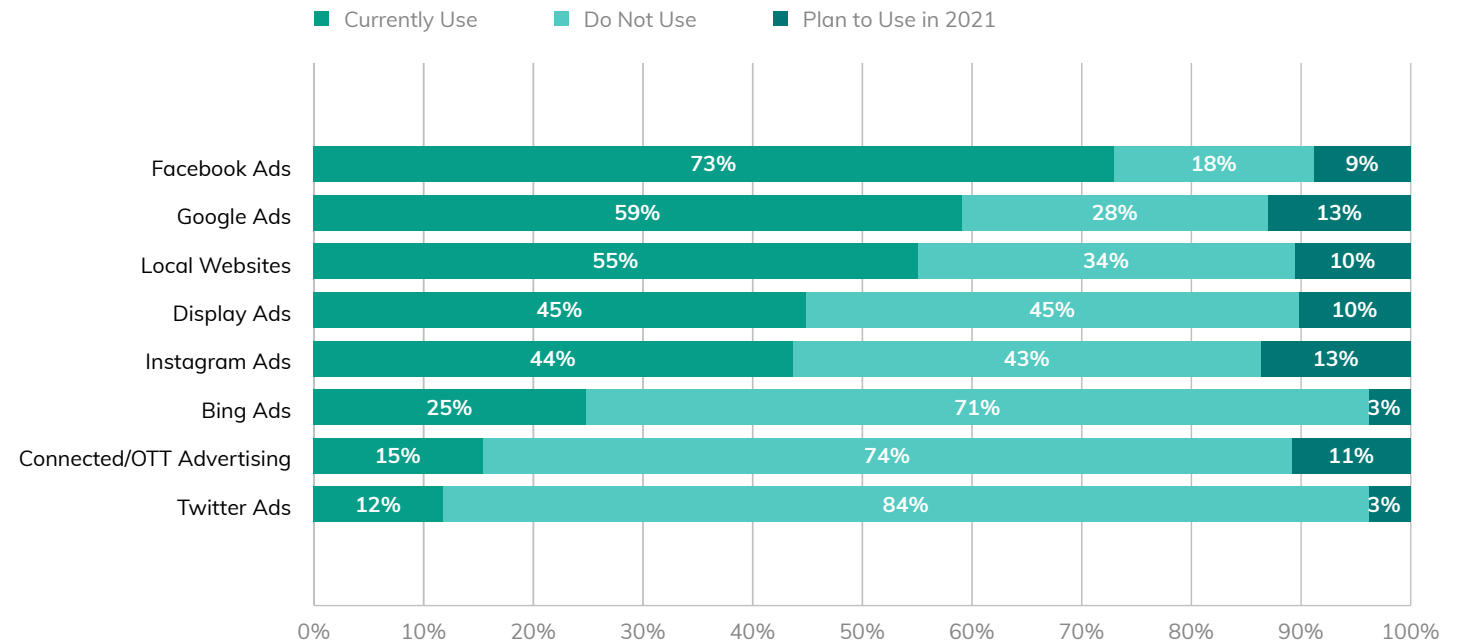


Some healthcare organizations have not made significant investments into digital, with 23% reporting only 0-20% of their marketing budget dedicated to digital channels. Another 33% of respondents are investing less than half of their budget into digital.

At the opposite end of the spectrum, 25% of respondents reported that more than half of their budgets were invested in digital.

Q14

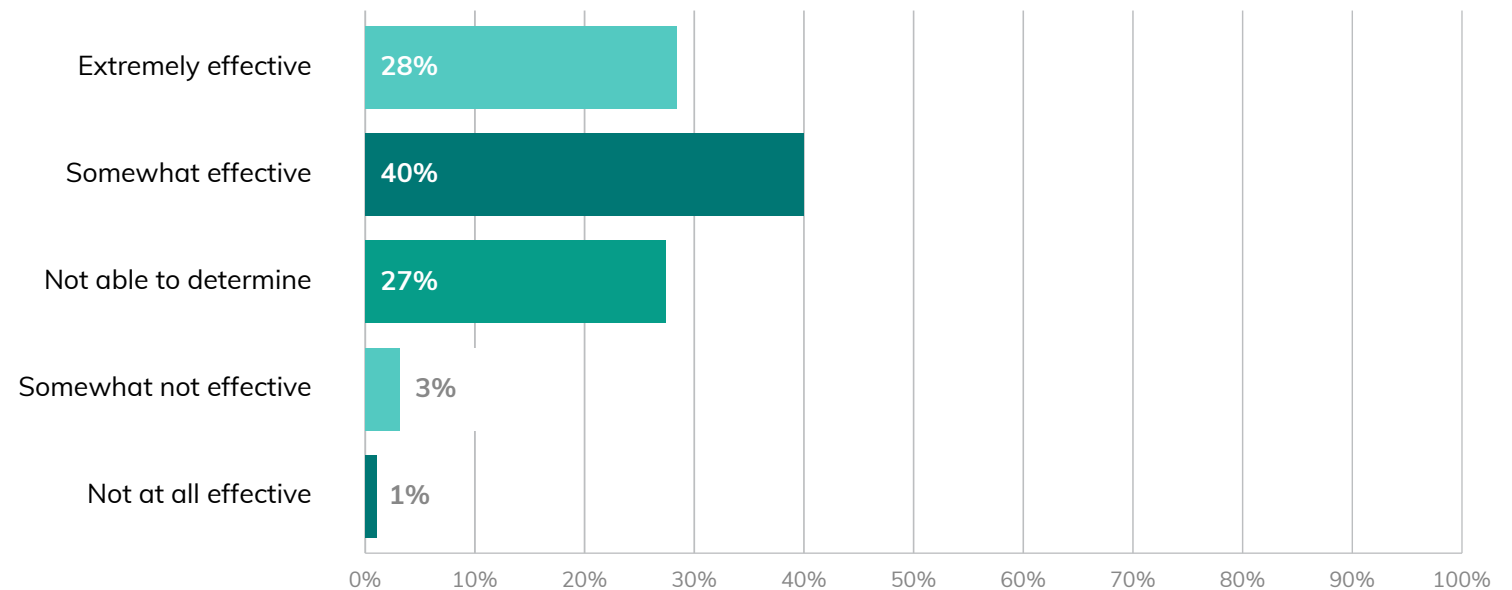
What digital advertising channels do you currently use?



Google Ads and Facebook Ads are the top digital advertising channels. However, more than half of respondents also use advertisements on local websites.

Q15

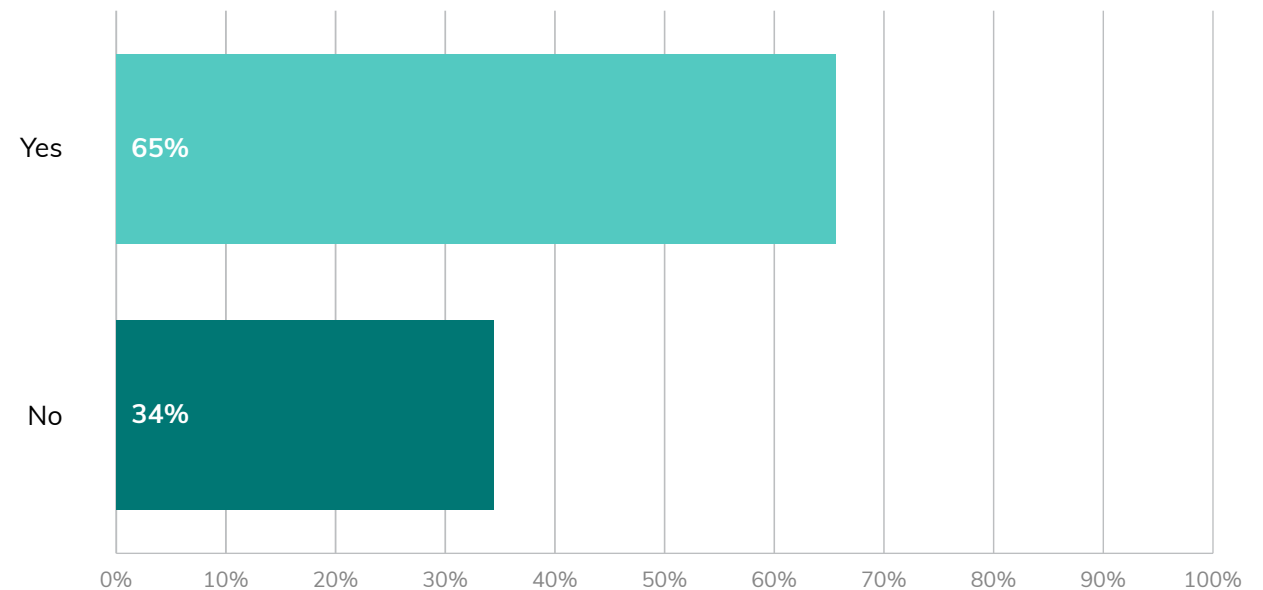
How effective is digital advertising for increasing new patient acquisition?



A total of 68% of respondents believe digital advertising is an effective way to increase patient volume.

Q16

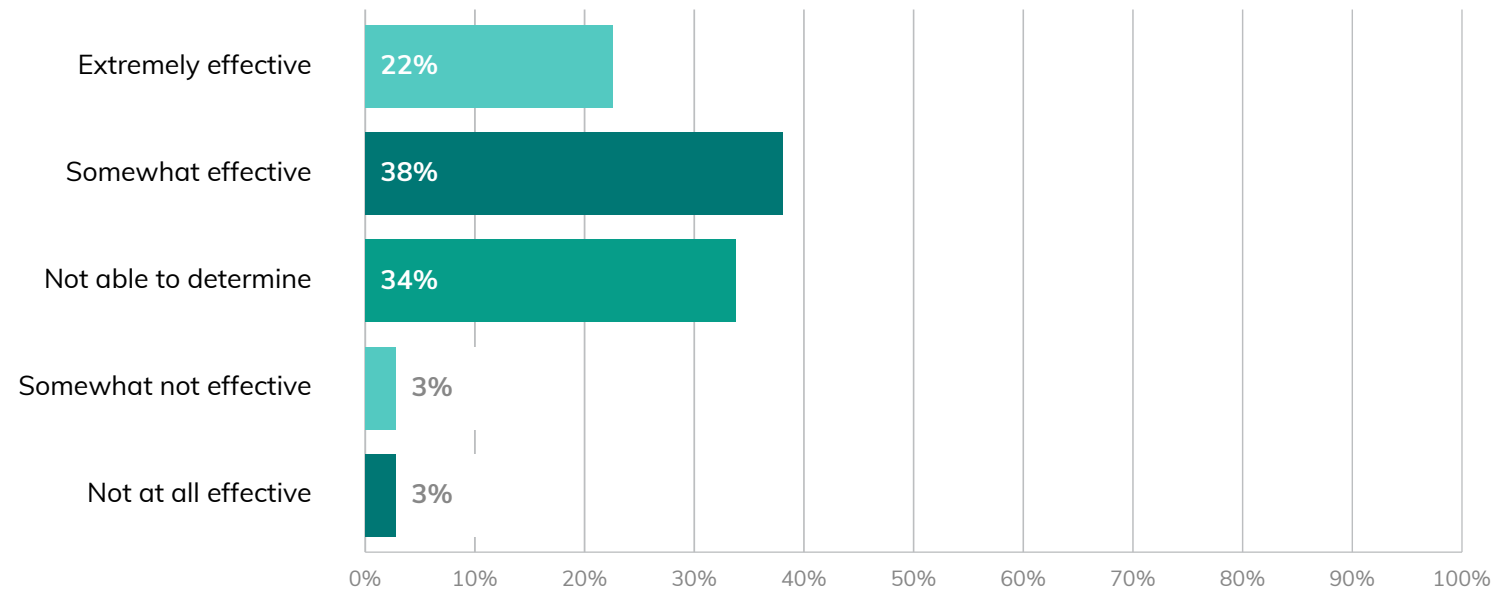
Do you currently have a search engine optimization strategy (SEO)?



65% of respondents said they have an SEO strategy in place. 46% of those who have a strategy, also currently use SEO analytical tools.

Q17

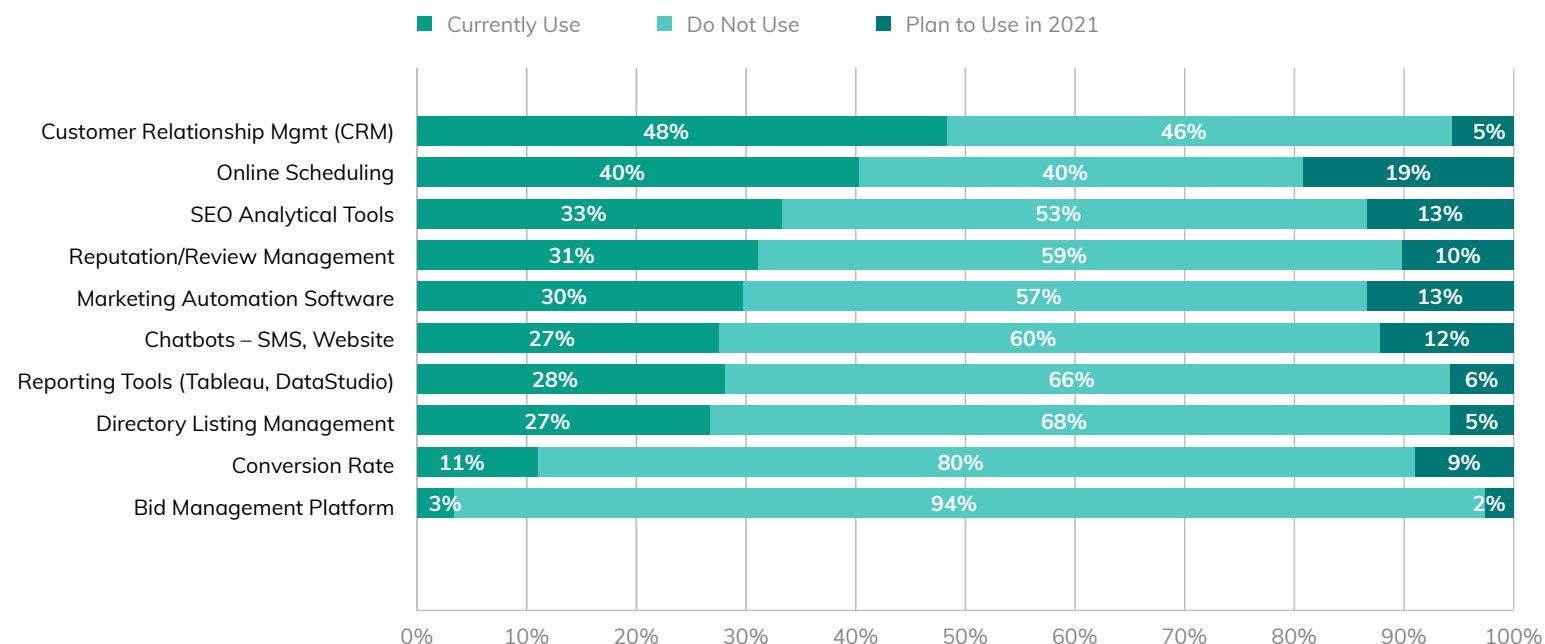
If you answered YES to the previous question, how effective is your SEO strategy at attracting new patients?



Determining the effectiveness of SEO has challenged 34% of respondents. However, 60% believe SEO is effective at attracting new patients.

Q18

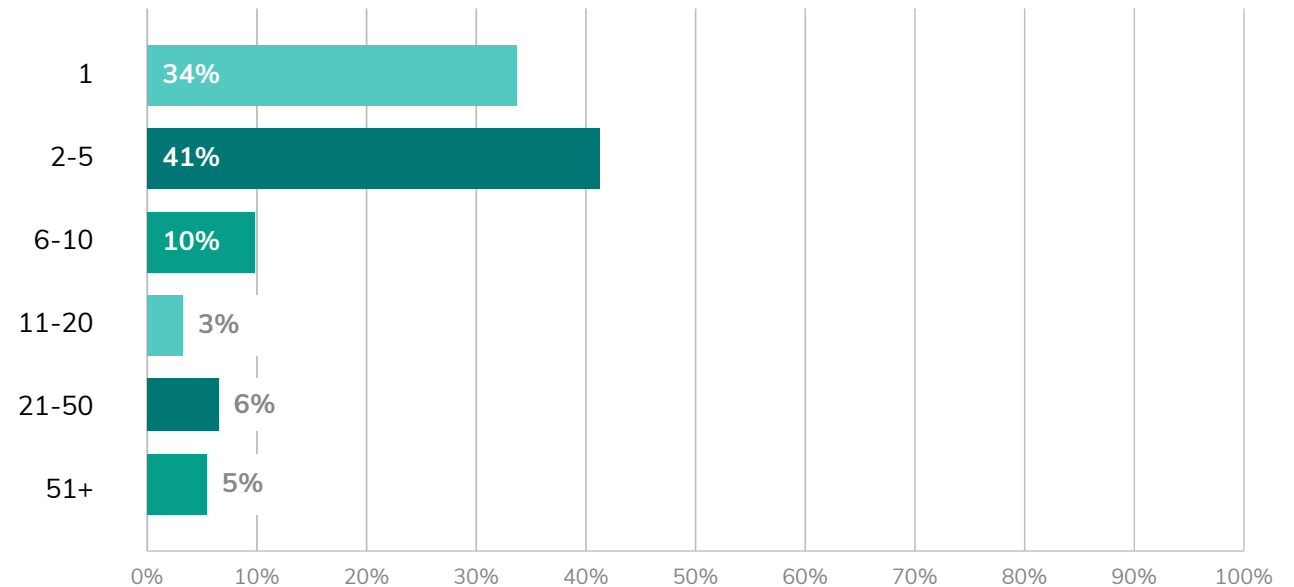
What digital marketing technologies do you currently use?



Adoption of fundamental digital marketing technology lags in the healthcare industry. Less than half of respondents use a CRM, online scheduling platform, or marketing automation software. Some respondents are trying to change that, with 19% planning to invest in an online scheduling tool and 13% planning to use marketing automation in 2021.

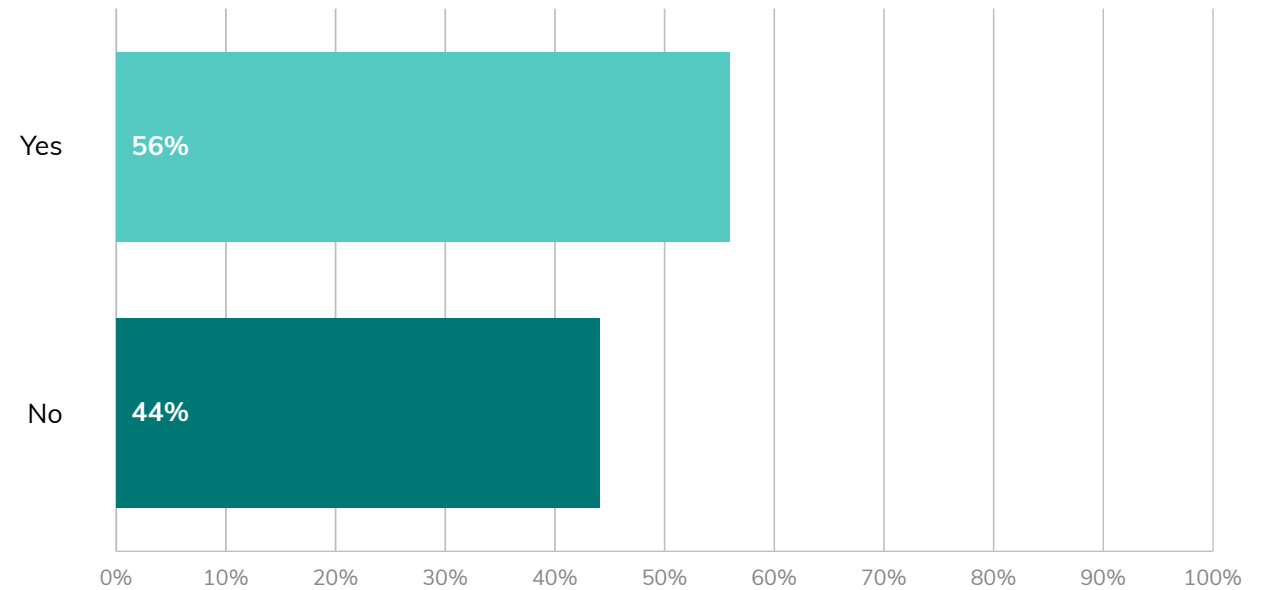
Q19

What is the size of your in-house marketing team?



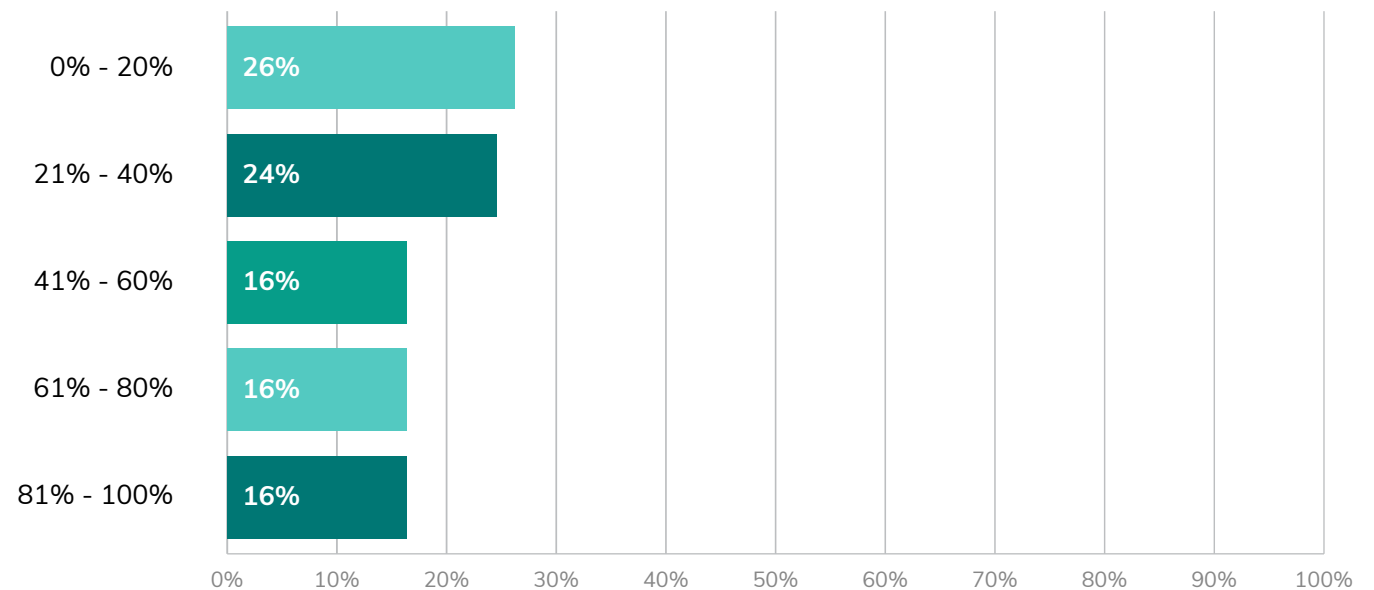
Q20

Do you work with a marketing agency?



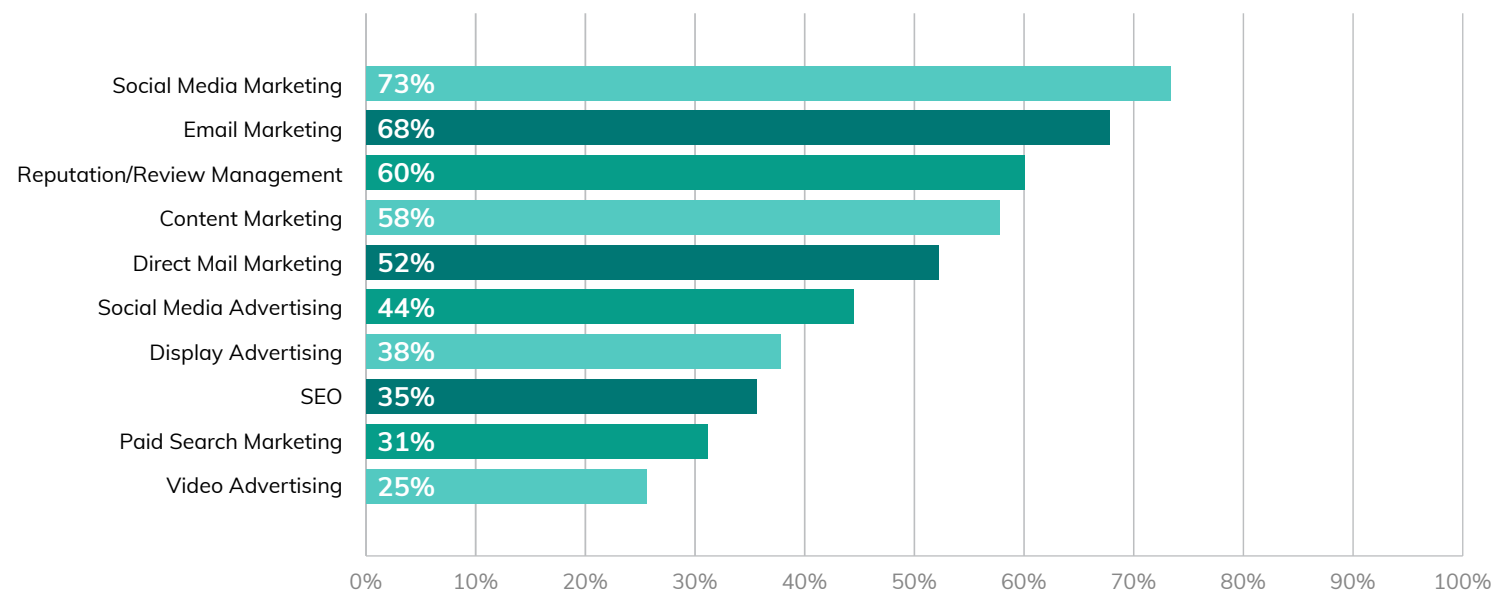
Q21

If you answered YES to the previous question, what percentage of marketing activities are completed by in-house resources?



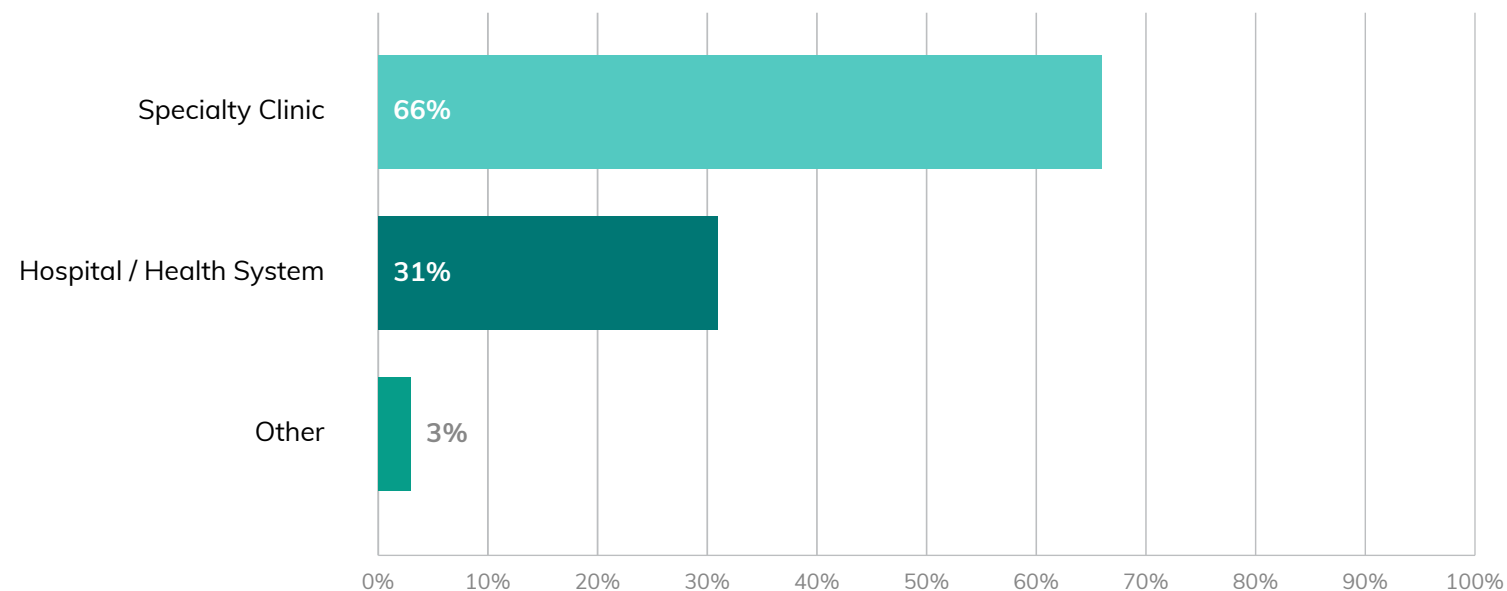
Q22

What marketing activities do you complete in-house? (Select all that apply)



Q23

Organization Type



In Closing: Slow-walking Digital Transformation Isn't An Option

The results of this survey were eye-opening in several ways. In general, the trials and travails of 2020 didn't cause marketers to panic. The adoption of new technologies, digital platforms, and telehealth options was, by and large, tempered. Healthcare marketers were careful with where they put their money, overall.

That said, healthcare organizations are moving quickly to digital. Global pandemic or not, digital is the most viable way to provide patient care (telehealth), improve patient access (online scheduling), and effectively reach patients (advertising). To remain competitive, healthcare organizations will need to evaluate their programs and focus on digital in 2021.

It's just what the data is telling us.

Take Flight

with Cardinal Digital Marketing

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