WHAT HEALTHCARE CAN LEARN FROM RETAIL

Changing consumer health attitudes put loyalty in focus as a key business driver

Retailers have learned the art of customer loyalty. From the roots of transaction-based rewards programs to more holistic approaches, customer-obsessed companies such as Patagonia, Uber, and Ritz-Carlton have recognized the importance of actively seeking to understand and deepen relationships with customers. It pays off: research shows [loyal customers spend more money](#).

The importance of loyal relationships with patients has been a recent revelation to the healthcare industry. It already needed to learn from retail and the pandemic has only accelerated the requirement to get loyalty right, as COVID-19 has changed customer behavior forever. Healthcare should look to what retail has already accomplished, such as digital engagement, customer experience, and leveraging data to embrace loyalty in a meaningful way.

Elevating the patient interaction

It only took a few months for COVID-19 to transform consumers' attitude towards health, exacerbating concerns over their physical safety and well-being. A recent Capgemini Research Institute report showed COVID-19 has established home as the new point of care. Forty percent of consumers said they would use technology such as smartphones or tablets to access healthcare remotely today versus 29% before the pandemic. It also revealed a strong appetite for low-touch care options such as telemedicine and apps.

Cobbling together different technologies has worked in the short term to meet the surge in demand for low-touch and touchless care, but continued anxiety around physical interactions will continue to shape how patients approach healthcare, and piecemeal approaches will soon fall short. If in-person options are shunned, healthcare companies have to address the need to nurture relationships virtually.

Avoiding healthcare facilities

According to the Centers for Disease Control and Prevention, visits to emergency rooms decreased by [42 percent over four weeks in April](#) as coronavirus spread across the US, when compared to the same period the year before. The pandemic is making patients adverse to visiting healthcare facilities even when facing a major health issue.

Technology is one answer, and consumers are comfortable with tech that helps manage their health. But the challenge lays with new treatments or elective procedures. There is a desire to minimize contact with all healthcare providers, and 42 percent of consumers say they would cancel an active treatment or postpone a scheduled one unless it was essential, according to the CRI report. And half of consumers would hesitate to have non-essential surgery due to the possible exposure at a healthcare facility.

There are also a lot of questions about starting new treatments or medications. This includes consumers who elect to interact with the healthcare system to donate blood, plasma, or other tissue. These people are usually inspired by an interest in the greater good, but they are likely feeling the same kind of anxiety around physical interactions.

Solving the loyalty dilemma

Retaining the best customers in a disruptive environment requires a radical change to how healthcare thinks about loyalty. It needs to embed human loyalty as a business outcome and build the underlying propositions, business models, and capabilities to support it. It is looking beyond the functional levers and solving for emotional drivers of consumer behavior. COVID-19 has thrown out the traditional measures of price, offers, and convenience in favor of a higher order of needs.

Healthcare needs to design experiences and services that engage, support, and reward customers at a human level to develop a deeper relationship connection. Loyalty will be a hard-won outcome, but it is required to connect with patients, even if it is remotely.

It is time to overhaul the purpose of loyalty within the industry and set guiding principles to steer this new proposition and business model. This shift to customer centricity needs to be supported by solid commercial models and capability designs to ensure the viable, feasible, and sustainable integration of human loyalty as a deliberate outcome.

Three keys to nurturing loyalty

Healthcare companies need to nurture loyalty by embracing patient perceptions of their health, safety, wellbeing, and desire to support the greater good. From diagnosis to treatment to disease management, different aspects of the patient journey have people preferring a touchless or low-touch option. Loyalty can be nurtured by:

1. **Leading with purpose**. Consumer behaviors and attitudes are changed forever. It has had a profound effect on how consumers think about and act on their health. As people volunteer for vaccine trials or donate antibodies, many are searching for a higher purpose. Loyalty needs to appeal to both rational and emotional drivers. Purpose is a new way to build loyalty.

2. **Frictionless experiences**. Healthcare needs to adapt to lifestyles rather than waiting for the patients to incorporate healthcare into their lives. Companies want to be seen as inclusive of digital, proactive, and anticipatory support that addresses consumer needs. It is time to explore minimizing touch points and removing barriers. That could be incorporating chatbots into initial discovery around a condition, leveraging digital tools to prepare for a provider interaction, or seamlessly integrating telehealth into initial consultations and ongoing condition management.

3. **Superior in-clinic experience**. Digital can remove friction so the in-clinic experience can focus on building loyalty. Places of care must acknowledge the anxiety of in-person transactions and deliver a human-centric interaction. If a clothing retailer can deliver a custom trunk of hand-picked clothing in a touch-free experience, healthcare providers can facilitate an efficient and safe interaction. They need to draw on their patient knowledge and data and devote in-person time to problem solving for the condition. Digital toolkits could be leveraged for a personalized follow up. Other possibilities could include auto check-in, geolocation, and tele-monitoring. Healthcare facilities need to balance tools that will still provide a great consumer experience but reduce the anxiety around walking into a facility.

Creating a more loyal patient

Newly empowered consumers are emerging from the pandemic. They are smart, tech-savvy, and engaged in their healthcare journey. These empowered consumers also show a greater willingness to help society, compared to others. CRI research shows 36 percent will volunteer for a clinical trial compared to 26 percent of the non-empowered. And 57 percent will share personal health data if it benefits research on new therapies.

The pandemic has impacted consumer behavior and mindset. Creating a connection and loyalty with the consumers who believe in the greater good is paramount. They are invested in supporting the larger objectives and finding solutions. But they are also concerned about their health and the safety of those around them. Loyalty is no longer a concept just for retailers.

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