

Tapping the power of consumer attitudes

New attitudinal data shows how predictive models can generate improved results for health marketers.



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Introduction

Today's consumers are inundated with marketing messages from healthcare, insurance and pharmaceutical brands. In fact, by the end of 2024, healthcare advertising is expected to grow to \$19.7 billion¹ in efforts to reach U.S. consumers.

It's on the marketer to develop messages that cut through all that noise and connect with customers. This starts with a deep understanding of who those target customers are and why they make the choices they do.

With that understanding, you can build strategies and tactics that address why customers consider and buy—in other words, their attitudes.

Of course, customer attitudes differ, but they can be categorized into segments when it comes to how they feel about a particular product or service. Each of those segments shares a set of whys that differ in material ways from other clusters.

Knowing those attitudinal differences and using them in design and marketing is key to appealing to all customers in a personalized way.

“Not all health insurance services are of equal value to members,” says Ellen Cox, Director of Health Vertical Marketing Strategy at Quad.

“Knowing what each prospect and member values, and marketing to and serving them based on those differences, can have a major impact on the bottom

line—by enrolling more members, serving them at a lower cost, helping them be healthier and motivating them to stay with the plan,” Cox adds.

Attitudinal segmentation can improve more than just the choices of marketing channels and marketing messaging. It can also upgrade every process in the business, from customer service to the development of new products.

Attitudes drive behavior. The more you know about customers' attitudes toward their health choices, the better you can engage them.

Today, some providers and payors use known loyalty drivers to promote features and benefits, but those may or may not correlate with purchase decisions. “For example, insurers may miss featuring important factors that heavily influence consumer attitudes and behavior during consideration,” Cox says.

Attitudes drive behavior. The more you know about customers' attitudes toward their health choices, the better you can engage them. And that “better” not only translates into improved customer experience but lower business expense, as well.

¹ <https://www.statista.com/statistics/235966/us-healthcare-and-pharmaceutical-industry-online-ad-spending/>

The research: Learning what insurance members value

Cox, along with Quad Analytics, set out to develop a primary research study focused on determining what consumers value most from their health insurance. The goal was to examine consumer attitudes toward the features and benefits health insurers provide (and from whom/where they want to get care). Then, determine if attitudes vary in measurable, material ways relevant to product design, personalized marketing and care management.

To gather this data, Quad collected responses from a nationally representative sample of over 3,000 people ages 22 to 75.

The survey questions asked respondents to rate which features and benefits they most value. To further examine the relative importance of the services, respondents were asked to indicate which, if eliminated, would prompt them to switch plans.

The goal was to examine consumer attitudes ... then, determine if attitudes vary in measurable, material ways relevant to product design, personalized marketing and care management.

Survey respondents were asked to rank the importance of each of the following 20 features, randomly presented:

- ☐ Access to the health providers I want to use for me/my family's care
- ☐ Pay claims quickly
- ☐ Pay claims without disputes
- ☐ Help finding providers (doctors, hospitals, pharmacies, labs)
- ☐ Help understanding health-plan benefits
- ☐ Speak to me in plain language rather than medical/insurance terminology
- ☐ Prescriptions fills at national, retail chains at the same cost as via mail order
- ☐ Resolve claims disputes/problems; respects me as a customer
- ☐ Easy-to-use app to look up benefits
- ☐ Easy-to-understand medical/prescription claims information online
- ☐ Easy-to-use app to look up in-network providers
- ☐ Help enrolling in the right plan for my individual or family needs
- ☐ Access to doctor/nurse via video conference (telemedicine)
- ☐ Mail-order prescription fills
- ☐ Gift cards for completing wellness activities (e.g., for getting an annual physical)
- ☐ Prescription fills at the special plan price at smaller, local pharmacies
- ☐ Easy-to-use app for finding prescription prices
- ☐ Option to enroll in health management/wellness-advice programs (e.g., weight loss, diabetes management)
- ☐ Get help via telephone to manage health conditions I have
- ☐ Provide written or website information about health issues I have

Three attitudinal segments

Quad's primary research study uncovered that different customer segments most value very different things from their health plans.

Based on their responses, customers were clustered into one of three distinct attitudinal groups that Quad labeled as **Utility First**, **Easy Access** and **Care Help**.

- The Utility First group most highly values a plan's basic administrative services.
- The Easy Access group most highly values information and tools to readily obtain it.
- The Care Help group values guidance and support from a health plan.

The chart below shows the services/benefits most highly valued by each of the three segments. Those in bold were of the greatest significance to the respondents.

A predictive model: Creating a new marketing tool

Quad's team determined that each of the attitudinal clusters varied in specific ways that allowed the team to build an algorithmic, predictive model. So, even if customers didn't participate in the survey, they can be assigned an attitudinal segment into which they most likely fall. The model can be used to score both prospect and member files, so communications can be tailored to maximize engagement.

The attitudinal clusters varied in specific ways that allowed the team to build an algorithmic, predictive model

"The process was rigorous, and the team was able to create a proprietary model that's scalable and actionable," says Earl Potter, Senior Vice President of Media Analytics at Quad.

Utility First	Easy Access	Care Help
Pay claims without disputes	Help finding providers (doctors, hospitals, pharmacies, labs)	Access to doctor/nurse via video conference (telemedicine)
Pay claims quickly	Help understanding health-plan benefits	Option to enroll in health management/wellness-advice programs (e.g., weight loss, diabetes management)
Resolve claims disputes/problems; respects me as a customer	Access to the health providers I want to use for me/my family's care	Gift cards for completing wellness activities (e.g., for getting an annual physical)
Speak to me in plain language rather than medical/insurance terminology	Easy-to-use app to look up in-network providers	Get help via telephone to manage health conditions I have
Prescriptions fills at national, retail chains at the same cost as via mail order	Easy-to-use app to look up benefits	
Easy-to-understand medical/prescription claims information online	Help enrolling in the right plan for my individual or family needs	
Mail-order prescription fills	Easy-to-use app for finding prescription prices	
	Provide written or website information about health issues I have	
	Prescription fills at the special plan price at smaller, local pharmacies	

Understanding the segments

Within each segment, some defining factors bubbled to the surface. While no segment characteristics are absolute, they do contribute to the model's algorithm and are useful in developing relatable, relevant marketing assets, such as images and messaging.



Utility First:

- Over-index for having achieved an overall higher education level versus the other segments—44% earned graduate degrees (3x the national statistic)
- Over-index for having a higher annual income (many >\$100k)
- 2x more likely to be married than the overall population, meaning that most have the support of a partner
- More male and white (moderately) than the national average
- Overall, skew older, with 60- to 64-year-olds 4x more likely to fall in this segment than the national average



Easy Access:

- Tend to be younger (2.5x over-index for falling in the 25-29 age range)
- Nationally average in gender representation
- Among the three segments, the most ethnically diverse (lower propensity to be white/of Western European descent)
- Only one-third are married, which aligns with the younger age skew
- Tend to cluster in large metropolitan areas, such as Los Angeles, New York and Chicago



Care Help:

- Well over-index for being single at 76%
- Almost half have multiple children under 17 in the household
- 64% earn an income below \$50,000 per year...with many much lower (some well below, at \$10k-\$15k)
- Almost half are enrolled in Medicaid versus the below 20% U.S. average
- Highly over-index as female with only a high school education
- While two times more Black people appear in the segment than the national average, overall, the segment only slightly under-indexes for all other ethnicities, with the segment's majority white
- Over-index for age between 25 and 54 years old
- Less likely to be over age 60 than those in the other segments
- While they value their insurer's health-counseling services and incentives, members of this segment face unique life challenges, and payors need to recognize that. Job demands, single-handedly caring for kids and financial constraints impact the hours in their days and so, sometimes, their ability to follow health-counselor recommendations.

For reference when reviewing the demographics throughout this report, "over-index" means that the people in this segment show up much more frequently with the cited demographics than those in the general population; "under-index" means the opposite.

Moving from data to action

The segmentation and predictive model allow health plans to be even more effective in their customer outreach. Marketers can talk about the plan attributes that individual customers most likely value and, in doing so, effectively motivate the customer to action.

“Start with what they want to hear, based on the attitudinal segments, and use proof points when possible,” says Jennifer Hickman, Vice President of Strategy & Growth for the Health Vertical at Quad. “A message like ‘95% of claims paid within 30 days’ can be powerful for the Utility First segment, but you also have to be able to deliver on that promise. You need to be accountable.”

Marketers have only a moment to grab attention and engage. The lead message should be personalized to speak to each segment’s most highly valued features and/or benefits.

For example, for Utility First prospects:

- First, speak to them about the plan covering claims reliably, hassle-free.
- Feature the convenience of prescription fills available both locally and via mail order at the same price.
- Use plain language (all segments will appreciate this). Do not use insurance or medical jargon and abbreviations. For example, use “doctor,” “hospital” or “lab” instead of “provider.” And “what you have to pay” instead of “out-of-pocket costs.”

For the other segments, feature messaging that highlights the more relevant plan attributes they most highly value instead.

“After we’ve scored the prospect file to assign an attitudinal segment, if you’re using it for new member acquisition direct mail, we can layer on a responder or responder + converter model to further increase the effectiveness and efficiency of your mail drop,” says Todd McNab, Vice President of Client Strategy and Integration at Quad.

Potter added that, “Quad’s proprietary, pre-market creative testing methodology can help ensure the new messaging will hit the spot for each segment, too. This pre-production testing with real customers has helped mail campaigns beat controls 85% of the time.”

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— Todd McNab

Vice President, Client Strategy and Integration, Quad

The segmentation can be used by others in the payor organization, as well. For example, the Care Management team can use the segmentation to identify members most likely receptive to outreach—those in the Care Help segment. Care Management resources are limited. Knowing which members are most receptive to their outreach—perhaps overlaid with claims data—can make calls more efficient.

Getting personal

Personalizing your marketing efforts has a powerful, positive impact on your business results. According to a McKinsey survey², personalizing your marketing can reduce customer acquisition costs by as much as 50 percent, lift revenue by 5 to 15 percent and increase marketing ROI by 10 to 30 percent.

Today, technology enables personalization by segment to be done affordably—both offline and online—without the old-fashioned fuss of versioning.

² <https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-personalization>

With Quad's predictive modeling, segmented messaging is developed to ensure the right messages get to the right audiences at the right touch points. Plus, Quad provides print and digital production resources, so your marketing strategy is aligned from data to creative to production to delivery.

"The value of these attitudinal learnings extends beyond marketing messaging. Knowing what customers most value is part of understanding what to prioritize in business plans," Cox says. "First, for marketers, in determining how to communicate and engage with prospective members and second, by operating in ways that optimize care costs and retention."

Key takeaways

- Quad's primary research study resulted in three attitudinal segments in which members vary greatly on what they most value from a health plan—those segments are Utility First, Easy Access and Care Help.
- Quad now has a predictive model that can be used to score any payor member or prospect file to determine which customers fall into each segment.
- The segments help guide personalization, which can be accomplished with messaging, imagery and more.

Ultimately, use of the model and targeted messaging will better engage customers and make member acquisition and outreach efforts more effective and efficient. More new members. More compliant members. More retained members. Lower costs.



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About Quad

Quad (NYSE: QUAD) is a global marketing experience company that helps brands make direct consumer connections, from household to in-store to online. Supported by state-of-the-art technology and data-driven intelligence, Quad uses its suite of media, creative and production solutions to streamline the complexities of marketing and remove friction from wherever it occurs in the marketing journey. Quad tailors its uniquely flexible, scalable and connected solutions to clients' objectives, driving cost efficiencies, improving speed to market, strengthening marketing effectiveness, and delivering value on client investments.

Quad employs approximately 13,000 people in 14 countries and serves approximately 2,700 clients including industry leading blue-chip companies that serve both businesses and consumers in multiple industry verticals, with a particular focus on commerce, including retail, consumer packaged goods, and direct-to-consumer; financial services; and health. Quad is ranked as the 14th largest agency company in the U.S. by *Ad Age* (2023), and the second-largest commercial printer in North America, according to *Printing Impressions* (2023).

For more information about Quad, including its commitment to ongoing innovation, culture and sustainable impact, visit quad.com.

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