

CASE 2 A HEALTHY IMAGE

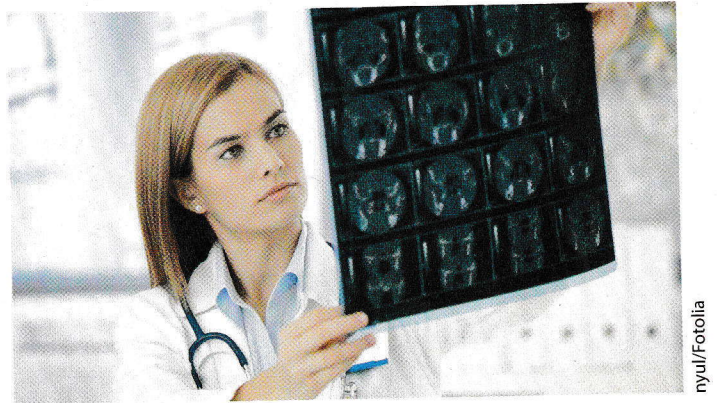
Mary Wilson was both nervous and excited as she opened her first staff meeting in the marketing department of St. Margaret's General Hospital. Mary's new role was director of marketing and communications. Her primary task was to increase the visibility of St. Margaret's Hospital in order to raise the image of the institution in the eyes of the many publics served. The long-term goal was to attract the best possible physicians while increasing use of the hospital's facilities and attracting more patients.

The world of health care changed dramatically in the past decade. Government regulations and support, concerns about lawsuits, evolving and expensive technologies, and changes in health insurance provisions affected hospitals of all sizes. In addition, St. Margaret's faces strong competition. The hospital's primary location is in a major metropolitan area in Minnesota. Two other large hospitals also offer comparable services in the same city. Each seeks to sign physicians to exclusive contracts in which they will only provide care with one organization.

The other significant challenge to St. Margaret's is its proximity to the Mayo Clinic. Clearly, Mayo holds the highest level of prestige in the state and even in the region. Most physicians are inclined to think of Mayo first when making referrals for patients with difficult medical problems. Mayo would be viewed by most publics as the "best" care possible.

The key issues in the image of any health organization include developing trust and a feeling of confidence in the quality of care that will be received. Beyond technological advantages, other, more subtle elements of an image could have an influence. Mary noted that the nurse plays a primary role in determining how patients view hospitals. An uncaring and inattentive nurse is likely to drive away both the patient who encountered the nurse and all of the patient's family and friends. Negative word-of-mouth, Mary said, must be held to an absolute minimum.

Mary believed St. Margaret's needed to overcome two problems. First, the name "Margaret" is not commonly used anymore.



nyul/Fotolia

▲ How important is image for a medical institution?

Some publics may view it as an "old-fashioned" name. Second, there was nothing distinctive about the hospital's image. The overlap in services provided (heart care, cancer treatment) made it difficult to differentiate St. Margaret's from other providers.

If there was any advantage, Mary believed it was that St. Margaret's was affiliated with the Catholic Church. It was the only nonprofit hospital of the three major competitors. This attracted both Catholic patients and some Catholic physicians. Also, the hospital was able to utilize the services of a wide variety of volunteers.

As the marketing meeting opened, the agenda was to discuss all of the ways St. Margaret's could build its client base. The task would not be easy, but everyone in the room believed the hospital offered high-quality services in a caring atmosphere.

2-44. What are the image issues in this case?

2-45. What are the brand-name issues? Should the brand name be changed? If so, to what?

2-46. What types of advertisements should Mary develop for St. Margaret's General Hospital?

2-47. What other types of activities could St. Margaret's pursue to build a strong and positive corporate image?

MyMarketingLab

Go to mymktlab.com for Auto-graded writing questions as well as the following Assisted-graded writing questions:

2-48. Brand image affects purchase decisions. What brands do you consider to hold a positive image? Why? Which brands should attempt to change brand images? Why? Explain how to accomplish this task. Which brands do you believe need rejuvenation? How can it be accomplished for each brand?

2-49. Look up each of the following brands on the internet. Discuss the image conveyed by each brand's website. What positioning strategy is used? Justify your selection. What changes or improvements could these brands make to their website to enhance its appeal?

- Canyon Beachwear (www.canyonbeachwear.com)
- Union Pacific Railroad (www.uprr.com)
- Bicycle Museum of America (www.bicyclemuseum.com)
- Applebee's (www.applebees.com)
- Cheerios (www.cheerios.com)