# The Case for Unified Branding in Hospitals & Health Care Systems

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## A conversation about health care...

***Hey Marla, I saw Dr. Who again about my eyes yesterday...***

*Dr. Who? I saw him at Second City Medical Center.*

***No, not there, I saw him at the Third Eye Clinic.***

*Well, that's possible, they're both part of First Health Care System...*

***Who's in First?***

*Yes, you saw him in Third, I saw him at Second, and they're both in First...*

***Oh yeah, you're right. The last time I saw Dr. Who at Third, two bills came. One from First, and one from Home Eyes Physicians Group.***

*That's right, Who's at Second, and at Third, which are both part of First, but he's also part of Home.*

***Who cares if he's at Home?***

*Well, I'm sure he does...*

***No, I mean what difference does it make that he's part of the Home Eyes Physician Group?***

*Well, maybe they have better doctors at Home.*

***Do I have a choice when I go to Third which doctor's group I get to see?***

*No, they're all Home docs. But there are Home docs other places too...*

***Wow, that's so confusing, I don't know...***

*Dr. Idunno? Oh, he's over at the Short Stop Eye Center*

***Never mind....***

Sound like an exaggeration? Hopefully. But for too many hospitals, it might hit a little too close to home. The world of hospitals, systems, payers and physician groups is certainly confusing to the average consumer. Hospitals have been particularly slow to embrace the customer perspective as a way to improve care delivery and to clarify its complexities. For many hospitals, this often manifests itself in the lack of a consistent branding strategy.

One contributor to this lack of coherent branding is the silo mentality that historically has plagued many hospitals, where different areas and service lines view themselves independently from the organization as a whole. Many organizations have different names for the parent company, hospital, clinics or services lines. Toss in independent physician groups who bring their own names, and it's not a stretch to see how branding has gone astray.

This paper argues that hospitals not only need a solid branding strategy, but that for most hospitals and systems, the most effective strategy is unified branding, using the name of the organization as the primary identification for all affiliated facilities, services and centers. This approach not only yields marketing and financial rewards, but it can facilitate a positive and meaningful cultural change within hospitals themselves.

But before we explain why this is the case, a little background is needed, starting with the definition of branding itself.

## Branding

A brand is the value, the emotion, the reputation a consumer gives any company, product or service. All companies, products or services have a brand, whether they know it or not, or whether they consciously set out to build one. In one sense, companies cannot own brands - consumers own them in their own minds. Brands aren't something you can touch. But they are very real. So real, in fact, that company leaders who understand the power of their brand guard and nurture it more closely than anything else in their organization.

How an organization goes about trying to influence their audiences' perception of their organization is called branding. Branding seeks to manage all possible touchpoints with a consumer in order to have that consumer think of a company, product or service in a given way. Branding in a universal sense is not just a consistent name, or consistent messaging, or consistent advertising and promotions. It influences all aspects of a business and shapes decisions in every part of the marketing continuum, from product development to service to communications. All play a role in affecting the brand that develops in a consumer's mind.

### The value of a brand

To make a business case for unified branding, there needs to be an agreement on the fundamental value of branding itself. There are a number of studies that quantify the bottom-line benefits of a successful branding effort. A study on branding by The Conference Board notes total revenues for companies with highly successful branding strategies were 11% higher than other companies over a five year period, and those companies' stock valuations were 54% higher than other companies.[i]

"Now more than ever, companies see the power of a strong brand," according to *Business Week's* Gerry Khermouch in an August 5, 2002 article called "The Best Global Brands." "At a time when battered investors, customers, and employees are questioning whom they can trust, the ability of a familiar brand to deliver proven value flows straight to the bottom line."

***"A brand is a person's gut feeling about a product, service or company. It's a gut feeling because we're all emotional, intuitive beings, despite our best efforts to be rational. It's a person's gut feeling, because in the end the brand is defined by individuals, not by companies, markets or the so-called general public. Each person creates his or her own version of it. While companies can't control this process, they can influence it by communicating the qualities that make this product different than that product. When enough individuals arrive at the same gut feeling, a company can be said to have a brand. In other words, a brand is not what you say it is. It's what THEY say it is."***

Marty Neumeier
*The Brand Gap*

The financial value of branding is often best measured following the sale of a company, when the brand equity is given a dollar amount. For example, when Phillip Morris bought Kraft foods, the purchase price of $12.9 billion was more than four times the amount of Kraft's tangible assets, showing the significant value of the Kraft brand.[ii]

Perhaps the clearest proof of the power of a brand lies in how consumers will consistently pay more for a trusted brand. How can Tylenol remain profitable by selling the same pain reliever at twice the cost of a generic brand? People will pay twice as much, because they believe Tylenol is better, despite the fact that it's the same formula as a generic. All because of the power of the Tylenol brand.

In a final example of the value of a brand, advertising expert Bob Garfield of *Advertising Age* took Pepsi to task in 2000 for reinstituting the Pepsi Challenge - their famous taste test - as a marketing strategy (incidentally, Pepsi is again running the challenge currently). His argument is based on the very essence of the value of brand, which often overrides fact or reality in the minds of consumers.

"Taste preference is all well and good, but it has very little to do with brand preference," says Garfield. "Pepsi should understand that, too, because although more people preferred the taste of Pepsi over Coca-Cola in 1975, and 1980, and 1985, and in 1990, and in 1995 and, no doubt, 2000, more people continue to buy Coke. Which means that Pepsi has again and again failed the true Pepsi Challenge - i.e. to alter consumer perceptions, to broaden the Pepsi audience, to generate Coke's level of emotion, to be not merely liked but loved by the people who feel the joy of cola."[iv]

***How does successful branding add tangible value to an organization? Kevin Lane Keller of Duke University, a noted branding expert, outlines several ways brand equity provides value:*** [iii]

- **greater loyalty and less vulnerability to competitive marketing actions**
- **larger margins**
- **greater trade cooperation and support**
- **increased marketing communications effectiveness**
- **support of brand extensions**

### The value of a brand in a non-profit world

Research has given any number of examples for the value of a brand, many of which can be applied directly to the health care industry. A 2002 article in *Spectrum*, a newsletter from the Society for Healthcare Strategy and Market Development, notes how brand value is critical specifically to non-profit hospitals. It argues that many potential customers, patients, partners, suppliers and donors routinely assign value to a hospital's brand, and it points to a number of specific examples, including:[v]

**Capital Formation**

Consider any organization that goes to the financial markets for money, whether it wants to issue bonds for a major facilities project or because it is involved in a merger or acquisition. In valuing that organization, accountants will use one of a variety of processes to place a dollar figure on the company's intangible assets or goodwill - in other words, the brand.

**Philanthropy**

"Donors have total freedom to target their philanthropy, and they typically choose to associate with organizations that they know will cherish their involvement... The prospective donor engages in his or her own process of assigning value to a brand as the organization cultivates a gift."

**Workforce issues**

"In recruitment, brand valuation occurs with the wooing of every potential employee."

**New Mover References**

A successful brand helps community residents give the name of your hospital when a new mover to the area asks, "What's the best hospital around here?"

***"As health care grows exponentially more complicated, there is a yearning for attachment-points that one can relate to, emotionally. The development of a powerful brand goes a long way in fulfilling that need."*** [vi]

Walter Green, president & CEO
LifeBridge Health, Baltimore

## The Two Sides of Branding

Now that we've seen the value of branding, it's important for our purposes to distinguish between the two key elements of branding. The most important aspect of any branding effort is how an organization actually delivers on its brand promise, how it acts the brand, how it lives the brand. This is the *experience* side of branding. Communicating that brand promise is the other side of branding, which we'll call the *visual* side of branding.

### The Experience Side of Branding

As we've defined it, branding is more than just what you say, it's how you act. It's the delivery of care, the level of service, the patient experience. Everything your organization does in some way affects your brand. When a housekeeper greets a patient warmly when entering her room, your brand is affected. When a nurse helps a patient understand a particularly difficult diagnosis, it affects your brand. And when your CEO makes a public statement that lacks sincerity, it also affects your brand, though negatively. Branding's goal is to ensure that the sum of all these experiences, or touchpoints, is overwhelmingly positive from a consumer perspective. Ideally, branding seeks to have every experience be positive for the consumer. But in service organizations, where employees - human beings with widely variable skills, personalities and emotions - create these experiences, perfection is impossible. Nevertheless, it is the never-quite-attained constant goal.

### The Visual Side of Branding

With the understanding that the experience side of branding is critical, we focus this paper on a different, though also important component to branding - visual branding. Visual branding is the discipline of creating and effectively using communication to trigger customer thoughts and emotions about an experience. This could either be about an experience they have actually had, or one they would anticipate having based on their understanding of the product or service.

Visual branding starts with an organization's name, identity system (logo, color scheme, etc.), brand design (style, emotion, feel, etc.) and position (message or promise). But visual branding extends beyond these elements to advertising, public relations, signage and environmental design, Internet communications, promotions and more, and even interior design and architecture. The visual side of branding also includes non-visual communications, such as public speaking or seminars or radio advertising.

### Types of Visual Branding Strategies

Before we focus on unified branding, it helps to understand the options any organization has in creating a visual branding strategy. Wally Olins, a famous designer and brand innovator, labels the three most common ways as follows:[vii]

**Monolithic branding** is when an organization uses one brand to market all elements of that organization. Examples include Wells Fargo, IBM or Volvo. The monolithic brand is leveraged for all products and services. In health care, examples include the Mayo Clinic or Provena Health. The monolithic strategy is also known as corporate branding, umbrella branding or master branding. For reasons we'll identify soon, we've dubbed this strategy *unified* branding

MAYO CLINIC

MAYO CLINIC
Rochester, Minnesota

MAYO CLINIC
Scottsdale, Arizona

MAYO CLINIC
Jacksonville, Florida

**Endorsed branding** is when an organization has a group of activities/companies/products/services it endorses with the group name. Examples include General Motors (Chevrolet is a General Motors product) or Kellogg's (Frosted Flakes and Fruit Loops are individual brands supported by the Kellogg's master brand). In health care, Allina Hospitals & Clinics in Minneapolis is an example of an endorsed branding strategy (Abbott Northwestern Hospital and United Hospital are both part of the Allina Hospital & Clinics system). As we've shown, the Mayo Clinic follows a monolithic philosophy. However, the organization's broader system of acquired hospitals and clinics, the Mayo Health System, follows an endorsed strategy. (Conceivably, this was done to protect the valuable Mayo Clinic brand from possible dilution from the acquisition of lesser facilities.)

**Product branding** is when an organization operates a series of brands, which have little or no relation to each other, and which are not supported by the corporate brand. The most famous example of this strategy is Proctor & Gamble, which markets dozens of products as individual brands (Tide, Ivory, etc.), with little or no connection to the Proctor & Gamble name. Examples of product branding in health care abound, though often they are unintentional and inconsistent. Hospitals often take a product branding approach with one or more specific service lines, specialty clinics or centers. And at times, this approach is taken at the hospital level as well, such as with Partners Healthcare in Boston. Partners has many member hospitals - Massachusetts General Hospital and Brigham and Women's Hospital to name two. Visiting the Web sites of the member hospitals reveals quickly that the Partners identity, if present at all, is minimized. This is product branding at work.

ALLINA.
Hospitals & Clinics

ABBOTT
NORTHWESTERN
HOSPITAL
Allina Hospitals & Clinics

UNITED
HOSPITAL
Allina Hospitals & Clinics

PHILLIPS
EYE INSTITUTE
Allina Hospitals & Clinics

PARTNERS
HEALTHCARE

MASSACHUSETTS
GENERAL HOSPITAL

BRIGHAM AND
WOMEN'S HOSPITAL
Specializing in care for a lifetime

NEWTON-WELLESLEY
HOSPITAL

# The Case for Unified Branding in Hospitals

### Defining a Unified Brand for Hospitals

For starters, let's state clearly what we mean by unified branding as it relates to hospitals and health care systems.

**A unified brand means all elements of an organization are branded using the name of the organization itself, along with other elements of consistency.** Within a single hospital, all service lines and programs would use the hospital brand itself as the primary identifier. Within a multiple hospital organization or health system, all hospitals, clinics, services lines and centers would use the organization's brand as the primary name of the entity.

While nomenclature is the most critical element of a unified brand, to truly achieve a unified brand, a hospital or health care system must incorporate the following consistently:

### Name

The foundation of any unified branding strategy is the use of the organization name as the key identifier for all elements within that organization. So in our exaggerated example from the beginning, there would be a First Health Care System, with the First Medical Center and First Eye Clinic. There still may be a Home Eyes Physicians Group operating within the First organization (hospitals have no control over the names of the physician groups with which they work), but that name, along with the names of other involved physician groups, would be excluded from all branding efforts of the hospital. (See "A Unique Challenge-Physician Groups" on page 17 for more on this situation.)

### Identity system

While a name is the basis of a unified branding strategy, a consistent identity system will provide a critical layer of uniformity and comfort for consumers. The identity system includes the basic building blocks of a visual brand, such as the organization logo (which includes the namemark, and may or may not include the use of a logomark or icon) and color system.

| | *Before* | *After* |
|---|---|---|
| SYSTEM | None | PROVENA Health |
| HOSPITALS | Covenant Medical Center | PROVENA Covenant Medical Center |
| | MERCY CENTER FOR HEALTH CARE SERVICES | PROVENA Mercy Center |
| | St. Mary's | PROVENA St. Mary's Hospital |
| CLINICS | Family Health Center | PROVENA Family Health Center *A Service of Saint Joseph Medical Center* |
| SENIOR SERVICES | FOX KNOLL | PROVENA Fox Knoll |

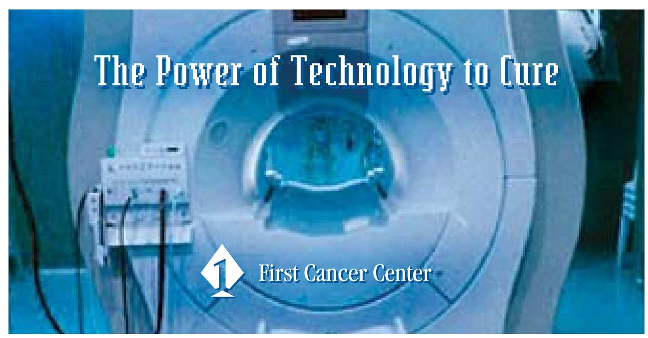
*Provena Health in Illinois provides an example of a transition to unified branding*

**Message**

Keeping a consistent organizational message - or position - across all facilities, services lines and other elements can be very difficult, but it will definitely enhance a unified brand. For example, consider the potential disconnect of a hospital that promotes itself as an "organization with a personal touch," while its cancer center is staking a claim to "the best technology in cancer care." While the two can co-exist, they don't lend to a feeling of an integrated organization.

**Brand Design**

A brand design is the "look" an organization gives to its marketing and communications efforts. Beyond the basics of the name and identity system, a brand design encapsulates creativity, emotion and visual elements that can further the consistency and enhance the experience of a unified brand. Using the example from the previous paragraph, imagine an advertising campaign for the organization that includes a billboard promoting its "personal touch," with the tagline "the softness of a personal touch" and images of people that exude soft, fuzzy emotion. Now imagine the cancer center happens to use a billboard across the street that shows a full-color, full bleed picture of a new GE MRI machine, with the tagline "The Power of Technology to Cure." Even if the names used in these efforts are consistent (First Health Care System and First Cancer Center), their uniformity is obscured by the significant difference in their brand designs and messages.

## Why Unified Branding for Hospitals?

### The Value of Unified Branding

The evidence supporting the financial value of a strong brand is overwhelming, but what about unified branding? Is that any more effective than an endorsed brand, or a product-oriented brand? And how does all of that translate to hospitals?

First, there is research that shows an umbrella approach to branding can create savings in brand development and marketing costs over time.[viii] The research is based on the theory that consumers have a natural uncertainty about the quality of any product or service, and that by attaching a known brand to that product or service, the uncertainty is lessened and use increases. By leveraging an existing brand, marketers will spend less time, money and effort in overcoming consumer uncertainties for the use of new or unknown products or services. Here's how author Jean-Noel Kapferer puts it in his book *Strategic Brand Management*:

"It is better to take advantage of a glimmer in the public mind rather than start from scratch. Research on memorization and the impact of advertising campaigns shows that their main determinant is brand awareness: one remembers it better if one already knows it."[ix]

But how does a unified branding strategy uniquely benefit a hospital or health care system?

***"Within the field of visual branding, one increasingly used approach is called unified branding, in which all of an organization's services and programs carry one name, look and feel. As organizations learn more about the many ways an umbrella or unified brand can serve them, they are migrating from product- or service-specific branding to unified branding."***

Mary Jo Hatch and Majken Schultz
"Are the Strategic Stars Aligned
for Your Corporate Brand?"
*Harvard Business Review*
February 2001

## The Three Reasons for a Unified Brand

We have identified three key reasons for hospitals and health care systems to strive for a unified brand. The first - The Rule of Simplicity - follows popular and proven marketing theory. The second - Limited Resources - focuses on the financial realities facing most hospitals. And the third - A Catalyst for Change - argues that instituting a unified branding strategy can help facilitate positive, meaningful change to delivering customer-focused service that many hospitals desperately desire.

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REASON ONE:

### The Rule of Simplicity

A hospital's brand or brands competes for the consumer's attention not only with other hospitals, health care systems and providers, but also with all other businesses and messages that exist in the marketplace. Your goal with a visual branding system is to cut through the clutter and be seen, heard and recognized. This can be an extremely difficult and expensive proposition for any company, product or service.

**The Rule of Simplicity says that a hospital is far more likely to have consumers see, recognize, recall and value *one brand* supported by only *one name*.** Or put another way, why fight for consumers to value two brands, when it's hard enough to achieve loyalty with one (let alone three, four or five)?

This rule is supported by decades of marketing research and philosophy, most notably in the principles of *positioning*. The idea of positioning was first postulated by Al Ries and Jack Trout, pioneers in the use of branding in modern advertising and marketing. The idea behind positioning is that consumers are bombarded with thousands of messages everyday, from hundreds of business categories and


***…consumers are bombarded with thousands of messages every day…***

industries, and thousands of products and services. (This was true in 1972 when Ries and Trout first wrote the article "The Positioning Era" for *Advertising Age*. Imagine the level of bombardment today with the advent of the Internet, or satellite and cable television.) There's no way to process it all, so consumers subconsciously filter and prioritize those that they trust, those that are familiar and those that are prevalent. Given the background of this oversaturated marketplace, it's critical to focus your efforts to ensure maximum retention. The more scattered your message, the less likely consumers will be able to retain it. The same can be said for names and branding overall. As Jack Trout said in his book, *The Power of Simplicity*:

**"It must be simple, because the mind hates complexity."**

In his book *What Clients Love*, accomplished business author Harry Beckwith laments the lack of focus and simplicity from which most marketing suffers. He notes that researchers at Stanford University found that consumers suffer *option paralysis* with even a few simple products. For example, faced with a few varieties of jams and jellies, most people will buy at least one jar. When given more options, however, they usually leave empty handed.[x]

"A single point penetrates," says Beckwith. "A mass of messages merge into a blunt object that penetrates nothing."

Certainly, history has shown that multiple brands can be supported by one organization, with Proctor & Gamble the most notable example. But the question hospitals must ask is - Why fight to have consumers remember, value and recall many names, when it's hard enough to achieve awareness with one?

### *A Saturated Society*

- **The number of mutual funds has grown from 1,241 in 1984 to more than 8,000 today.**
- **Record companies release more than 21,000 titles a year - nearly 60 per day.**
- **More than three hundred books are published in the U.S. every day.**
- **The New York Times recently estimated people are exposed to 3,200 commercial messages a day.**
- **Thirty years ago, there were four main television channels. Today, the majority of consumers have access to hundreds.**

From *What Clients Love*
by Harry Beckwith, 2003

***"The only defense a person has in our overcommunicated society is an oversimplified mind. The best approach to take in our overcommunicated society is the oversimplified message. In communication, less is more..."***

From *Positioning: The Battle for Your Mind*,
by Al Ries and Jack Trout

2

REASON TWO:

## Limited Resources

According to an article in the *Harvard Business Review*, companies in the U.S. together can save billions of dollars by using corporate brands to exploit economies of scale in advertising and marketing. SmithKline Beecham, for example, now uses its corporate brand to support all of its products.[xi]

Unlike Proctor & Gamble, which can invest millions of dollars to launch a new brand independent from its other brands, **most hospitals have no such luxury to promote their individual services or facilities in this way.** No matter how much value is given marketing and branding by hospital leaders, the funding of visual branding rightly takes a backseat to funding the support and care of patients, most notably through staff, facility and technology costs. Most hospitals have marketing budgets below those of organizations of comparable size in other industries. This makes it even more critical for hospitals to use their scarce marketing resources in a way that will ensure the best odds of success.

Karen Myers, a branding consultant, in *Health Care Branding: From A to Z*, criticizes the visual clutter caused by most health care advertising. While she cites examples of the stark red and white Coca-Cola logo or the blue and white shield with a cross for Blue Cross Blue Shield, she notes most hospitals do little to leverage the power of a unified brand.

"They give centers and services different names and different visual identities," she says. "It's OK if you have a lot of money to support these names, but always it's more expensive and takes longer to establish brand equity."[xii]

Let's use an extreme theoretical example to make our point. Take a health care system, which has a flagship medical center with multiple service lines and clinics. The organization needs to promote itself as a community health care leader, so it has created a

***Most hospitals have marketing budgets below those of organizations of comparable size in other industries.***

brand for the organization as a whole. But it also wants to market ten key service lines and clinics. So for each area, it has created a unique name, identity and positioning message. Say the average cost to reach 1,000 potential patients in this market is $10,000. So to reach each of those 1,000 people once with one message for each of the ten service lines, it must spend $100,000 in media costs alone, plus another $10,000 to promote the organization. For that same $110,000, the organization could have still promoted the ten key service lines, but by using the unified branding model, the organization's brand would have reached those same 1,000 people eleven times.

Depending on what research you read, it takes 5-10 exposures to the same advertising for people to see and remember a message. So with unified branding, you increase significantly the odds that a person will remember you. Now, consider the cost of creating 11 separate brands in the first place and placing each of them in the media a minimum of 5-10 times. Then take this scenario and multiply it over time, and the financial benefits of unified branding become clear.

***Depending on what research you read, it takes 5-10 exposures to the same advertising for people to see and remember a message.***

3

REASON THREE:

## A Catalyst for Change

Traditionally, different departments within hospitals have thought of themselves independently from the organization as a whole. In business, this phenomenon is called a "silo mentality" (thinking within one's narrow, disconnected tube), and health care is notorious for this. Take a patient seeking care for a heart condition. The patient may start in the emergency department, then encounter radiology, the cath lab, cardiovascular surgery, the CV ICU, education, rehabilitation therapy, followed by regular visits from their internist. To a hospital, those are naturally separated areas. To the patients, that is *all* heart care. Patients don't see the separation that exists behind the curtain at a hospital. In fact, it usually confuses them. And while occurring within individual hospitals, the silo mentality exists on a grander scale among different facilities within a health care system.

This silo mentality is frequently the culprit behind disparate names, identities and other elements of the visual component to branding. But it is also the biggest obstacle to constructing a common experience or brand promise, and is arguably the number one reason so many hospitals fail to deliver care consistently from a patient perspective.

**It is our assertion, that the development of a unified *visual* brand can be a powerful catalyst for creating a strong *experience* behind the brand.** Thus, instead of using *monolithic, corporate* or *master* branding, our use of the word *unified*: for the potential power of a consistent brand to help *unify* a hospital.

Why do we believe a unified visual brand can help impact the experience side of branding? The best answer to the question of why is to consider the task of creating a common, consistent brand experience across an organization *without* a unified branding strategy. How difficult would it be to create a sense of integration, harmony and teamwork throughout the organization when different groups refer to themselves with different names? It becomes too easy to fall back on an "us vs. them" attitude when the going gets tough, too easy to circle the wagons. "We've got things running smoothly in the Third Eye Clinic, but Second City Medical Center is all messed up. And the execs down at the First Health Care System are totally off target..."

The first step in creating a consistent brand experience is convincing all the participants that they are part of an integrated team, with one mission, one vision, one set of principles - in effect, they are a "we." Using a common name is a simple yet powerful way of reflecting that ideal. Of course, creating a unified visual brand isn't a guarantee that a consistent brand experience can be created. And, it is possible to create that brand experience without a unified visual brand. But it is conceivably a much longer, more difficult road.

***Wally Olins, famed designer, states that identity does not only reflect an organization, it can help define it.***

***"Most people think that corporate identity is about symbols, logotypes, colours, typography, even about buildings, products, furniture, about visual appearance, design. And it is. But identity can clarify how a company is organized, indicate whether it is centralized, or decentralized, and to what extent; it can also show whether it has divisions, subsidiaries or brands, and how these relate to the whole.***

***For example, if a company has five divisions, and it uses one name, one set of colours, one symbol and typestyle in all of them, it will convey a simple, centralized idea of itself. If the same company gives each division a separate colour, it will inevitably project a more decentralized identity. And if it uses different names, symbols and logotypes for each division, it will give an even more disparate impression. The identity resource can clarify an organization's structure - and enable its purpose and its shape to emerge clearly."*** [xiii]

Finally, Rule Three is supported by a popular theory in medicine - the placebo effect. In other words, if you *say* you are an integrated system, more people are likely to *perceive* that you are an integrated system. In his book *What Clients Love*, author Harry Beckwith discusses this phenomenon and its ramifications for marketing and branding. In his words, expectations can change experience. Says Beckwith:

"You enter a lobby and think, 'This must be a good firm.' And so it is. You meet a prospective manager for your investments and decide she seems smart. And so she is. Social scientists call this Expectancy Theory. People experience what they expect to experience and see what they expect to see." [xiv]

If an organization uses different branding for different groups, then both consumers and those within those groups will *expect* the groups to act separately. But if organizations use a unified branding strategy, not only will consumers expect an integrated experience, *so to will those within the organization.*

Now, as most clinicians agree, the placebo effect is not permanent. Eventually, the perceived effect diminishes and disappears if there are no tangible changes induced. Likewise, a unified brand strategy is not a silver bullet. There must be real organizational change over time to create true integration. However, instituting a unified branding strategy can help catalyze and shape that change.

***Expectancy Theory states people experience what they expect to experience and see what they expect to see.***

## Why Not a Product Branding Strategy?

As we've stated in Reason Two for using a unified brand, most hospitals and health care systems lack the financial resources to adequately support two or more brands. But just as importantly, hospitals should ask *why* they would want to support more than one brand. In general, a product branding strategy is followed because the product is too far removed from the organization to benefit from the corporate brand, or because the organization is concerned about confusing the consumer with the brand connection. For example, when Disney wanted to begin making R-rated movies, instead of using the Disney brand, they created an entirely new brand called Miramax. One, they feared damaging the powerful Disney brand that's associated with family and children's entertainment by issuing adult-themed movies. And two, how hard would it have been to build a strong adult brand for R-rated movies that came from Disney, the home of Bambi and Mickey Mouse?

But how often do hospitals need to separate a facility, service line or center from their main brand? A heart center, primary care clinic, or series of hospitals are all part and parcel to a hospital's mission of healing its patients. There may be examples where a hospital or health care system branches out beyond the mission of healing patients, such as owning a senior living facility, or creating its own line of nutritional products. But other than in these rare circumstances, most hospitals have no real need to create a separate product brand.

## Why Not an Endorsed Branding Strategy?

Under the assumption that building brands for individual service lines or facilities is too expensive for most hospitals, unified branding seems the logical choice. But what about an endorsed branding strategy, where the organization name supports the individual hospital or service line name? While some organizations may follow this strategy (see page 20), the circumstances that make this strategy appropriate are rare in health care.

Take our earlier example of the Third Eye Care Hospital, part of the First Health Care System. The theory with an endorsed branding strategy is that the service brand, in this case the Third Eye Clinic, gains from its association with the organizational brand, or First Health Care System. But there are two problems with that assumption.

First, consumers are required to learn, remember, recall and value two separate brands. Given the oversaturated market - not just in health care, but the entire marketplace - that's asking for a lot (See Reason 1: The Rule of Simplicity). Most organizations are lucky to establish one strong brand in a market. Endorsed assumes there are two (otherwise, what's the point of using both?).

Second, assuming you can establish recognition with both brands, the endorsed strategy assumes consumers will place value on the endorsing brand. But if the endorsing brand is a system, that can be a difficult proposition, because it can be tough to communicate the value of a health care system to consumers.

According to Joel English, senior vice president of BVK/McDonald, a brand consultancy in Milwaukee, consumers think very differently about the delivery of care they receive versus the business behind that delivery.

"Senior system executives want to talk rationally about a continuum of care, coordination of providers, outcomes, cost reductions, and economies of scale to consumers, who have little knowledge of and interest in the business of the health care delivery system," says English.[xv]

In the Twin Cities' market, there has been a subtle retreat from promoting systems, at least when it comes to naming. For example, HealthSystem Minnesota has changed its name to Park Nicollet Health Service, while Allina Health System is now Allina Hospitals and Clinics.

So if there's no inherent value in the system to consumers, why use it as an endorsing brand? Of course, that might logically lead to never using a system as a *unifying* brand, which isn't accurate either (see example of Provena on page 7). The point is, if you're going to use a system to brand your organization - go all the way, like Provena. If not, maybe it should be dropped. Do you really want to divide your consumer's attention, while spending time, money and energy to promote two separate brands, particularly if one of them is inherently challenging for consumers to connect to intellectually and emotionally?

## A Unique Challenge - Physician Groups

The sometimes-employee, sometimes-partner, sometimes-competitor relationships hospitals have with physicians make for a branding challenge distinct from all other industries. Increasingly, physician groups are demanding more and more from their hospital partners. How do hospitals deal with this unique challenge when considering a unified branding approach, which by definition would exclude any physician group names from the brand?

***The sometimes-employee, sometimes-partner, sometimes-competitor relationships hospitals have with physicians make for a branding challenge distinct from all other industries.***

There's little argument that most patients value their relationships with their individual physicians above and beyond their loyalty to any hospital or institution. (One possible exception to this generalization is the case of an institution that has an extremely powerful brand, such as Johns Hopkins or the Mayo Clinic. There are people who would opt to receive care at one of these places, regardless of whether their physician was involved. But in general, individual physician-patient relationships override institutional preference). Service brands are almost always rooted in personal interaction between a consumer and the service provider, and this is understandably even more critical in the patient-physician arena.

In hospital branding, however, the influence of the physician group is far less. For sure, some physician groups have valuable brands, but almost always when those brands represent the name of a facility itself, such as with a specialty clinic. For example, a woman in Minneapolis may hear from her friends that she should use Southdale Pediatrics, a popular pediatric group in the Twin Cities. The name of this organization - which also happens to be the name of the physician group - had established a powerful brand in our community. However, in the hospital arena, physician groups are, for the most part, invisible to the consumer. If a patient is brought into an emergency department at ABC hospital for trauma surgery, she has no idea if the surgeon is a hospital employee or is part of a separate physician group who has privileges at the hospital. The same goes for the anesthesiologist who administers the morphine, or the physical therapist who helps the patient get stronger. (This remains true until they receive their medical bills, but that issue deserves its very own white paper.) Most patients have no clue about the physician-hospital relationship, but more importantly, they don't care.

Solucient, a national health care intelligence company, conducts a major patient survey every year, and one of the questions asks how patients select their doctors. Possible answers range from existing relationship, to referral, to advertising. But there is no selection for "because they belong to a certain physician group." There is no option for that answer because, when it comes to a patient's *hospital experience*, physician groups are not part of their sphere of thought. "Physician group" isn't even in their vocabulary.

While physician groups within a hospitals are invisible to patients, many hospitals choose to promote the physician groups affiliated with their organization, or with a particular service line within the organization. The question is: what value does that name have? In the vast number of cases, the names of individual physician groups hold no brand value for consumers. And even if they did, the question then becomes, which holds more equity with the community: the hospital brand or the physician group brand? Finally, using the names of physician groups as part of a branding effort can cause confusion when those groups are also promoted as part of a competitor's branding effort. This isn't unusual when one physician group practices at multiple hospitals.

The challenges of excluding physician groups from a branding strategy are not easily dismissed, however, given the intimate relationship those groups have with hospitals. How does a hospital marketer address the idea of unified branding with physician groups? Assuming politics and ego can be set aside, the argument for the use of a unified brand is the same to physicians as it is to other leaders in the organization. Providing a unified brand to the public has a much more likely chance of establishing brand recognition and value than does a branding strategy using more than one name, regardless of what that second name is. The point of unified branding is not to diminish the value of physician groups, or place them in a subservient position to the organization. It is simply to provide the easiest, least costly and most effective means for connecting to health care consumers. If this can be done, then everyone benefits, including the physician groups themselves.

***The point of unified branding is simply to provide the easiest, least costly and most effective means for connecting to health care consumers.***

## The Philanthropic Dilemma

Philanthropy is rarely used with the word "dilemma" when it comes to hospitals and health care systems. But it can be a challenge for one area of the organization - the marketing department. Suppose your organization has spent the last few years developing and instituting a unified brand strategy, and you've just started to see the benefits when Mr. Moneybags walks in the door. Mr. Moneybags is a local business icon worth millions, and he would like to give you many of those millions to build a brand new cancer research center at your hospital. The catch, of course, is that you must name the center after him - the Moneybags Cancer Research Center.

OK, there's really no dilemma here. Of course, any organization would be justifiably grateful for such a gift, and the benefits to the organization, its patients and the community would be tremendous. But it does put a hitch in the unified branding strategy you've spent countless months and dollars building. Depending on the donor and the size of the gift, you could try explaining the hospital's policy on naming. How it helps Mr. Moneybags' legacy if consumers understand that the center is part of this wonderful hospital he and the community love. Or that you would like to share some ideas on how Mr. Moneybags' story can be told even more effectively. At that point, however, you need to be armed with solid examples of what you'd do. Maybe his portrait graces the entrance to the new center. Maybe you hold an annual fundraising event in his name, generating more buzz around the Moneybags name and bringing in even more money to the center.

However, if despite your most persuasive effort, Mr. Moneybags insists that his name goes on the building, you have no reasonable choice but to graciously acknowledge and thank him for his donation. Your organization still has some flexibility of how the donor's name works in the overall naming of the new facility. While unified branding is a powerful strategy, some decisions are no-brainers, and a multi-million dollar cancer center is one of them.

*Your organization still has some flexibility of how the donor's name works in the overall naming of the new facility.*

## When Unified Branding Isn't the Best Option

While this paper gives convincing reasons for using a unified branding strategy, there may be times when this approach is not possible. Sometimes, there are valid reasons for using an endorsed or product branding strategy in health care. For example, an organization with a positive brand image might want to minimize its risk of reputation damage by keeping its name distinct from that of a less-well-thought-of, newly acquired division. Or an organization might have sufficient strength in one clinical area that it elects to use that service to build its image with its customers, rather than use the name of its parent company. In these cases, non-unified branding approaches might serve the organization best. While scenarios such as these are relatively rare in health care, here are some examples of where unified branding may not be the best choice.

#### A system where the parts are greater than the sum...

The most common situation for which to use an alternative to unified branding is when an existing strong brand is brought into the organizational fold through a merger or acquisition, such as when a merger combines two organizations with strong brands. Or a greater system is created bringing together a number of hospitals and facilities, each with their own existing brands. The question that must be asked is: can the individual entities benefit from a unified brand, or will you do more harm than good in creating a new brand, destroying perfectly good brands that already exist?

Think of it this way. Say you won the Super Lotto, and your dream in life was to own a global beverage company. So with your winnings, you purchase Coke, Minute Maid and Little Lulu's Milk. Because you're rich, and you want to start your own tradition, you decide you want a unified brand for your beverage offerings, and so you create Big Winner beverages, with Big Winner Soda (formerly Coke), Big Winner Juices (formerly Minute Maid) and Big Winner Milk

***In the study* Health Care Branding: From A to Z *by Strategic Health Care Marketing, one example of how unified branding can be inappropriate is given by Bill Galvagni, president and CEO of the Galvagni Strategy Group in Louisville, Kentucky. Louisville's Norton, Kosair Children's and Methodist Evangelical hospitals merged to create Alliant Health System. Instead of using the brand equity of the three hospitals, executives made the mistake of investing heavily in building a brand identity for a new system.***

***"Alliant Health System doesn't sell products and services to consumers," says Galvagni. "it doesn't make any difference if you have a name, but can't connect it to familiar institutions."*** [xvi]

(formerly Little Lulu's). In this scenario, the milk products will probably benefit from the unified branding. But what about the soda and juice products, which previously had benefited from being the leading brands in their categories? It would conceivably take significant money and time to build those back to their previous standings, if it could be done at all. In this example, the soda and juice products will actually be harmed by the unified brand.

The same could be said for hospital systems that are built using established brands. Conceivably, the weaker hospitals may benefit from a unified branding strategy. But the stronger hospitals, those with excellent reputations, will be brought back to the pack. Or if a hospital with a strong brand in one market acquires a hospital with a strong brand in a different market. If the brand of the acquiring hospital has no value in the market of the second hospital, unified branding may not make sense.

Perhaps the best example is found with Columbia/HCA, which tried to build a unified brand across the country with its member hospitals in the 1990's. After spending millions of dollars on the effort, Columbia discovered that in most cases, their hospitals suffered from losing the local brand the community preferred, and gained little from a brand associated with a national system. Columbia has since reverted to a product branding strategy, where each of its owned hospitals has its own, separate brand, and the Columbia/HCA connection is nearly invisible.

(Of course, no matter how many hospitals are part of a system, using a unified branding strategy within each hospital as it applies to service lines, centers or other elements still is recommended.)

#### When you're not ready...

The experience side of branding - actually living the brand - is one of the most difficult and fundamental challenges for any business. We've argued that instituting a unified visual brand can actually help hospitals begin to address this challenge. But in some cases, an organization may decide it is not ready to create a unified brand, or fears that by doing so, certain elements of its organization that are not up to meeting the brand promise may damage the overall brand.

Consider the branding challenge faced by Allina Health System in Minneapolis, which in 1994 brought together 17 hospitals, a health plan with 950,000 covered lives and numerous other clinics and services. According to Steve Hillestad, Allina's vice president of strategic planning and marketing at the time, in *Health Care Branding: From A to Z*, questions about the organization's ability to fully live up to the brand promise led to the decision to retain stand-alone names for its hospitals and health plan, using an endorsed branding strategy rather than a umbrella strategy.

"Until we can line up 60 different clinics with 60 different ways of doing business and get them functioning consistently, we won't put our brand on them," he said.[xvii]

How do you know whether you are ready to institute a unified branding strategy, whether it is worth the risk? Obviously, this is a judgment call that varies from organization to organization. Certainly, the size of an organization makes a significant difference. A single hospital should have a much easier time building the experience side of branding compared to a multiple-entity health care system like Allina in the example above.

We believe, however, that many hospitals and health care systems would be better served by engaging a unified branding strategy immediately, even if their brand promise isn't aligned across the entire organization. Why? Because the experience side of branding is a long-term function that can take years to attain (in fact, some would argue that you can never really attain your brand promise, that the pursuit of that goal is ongoing throughout the life of the organization). If an organization waits until it has achieved a consistent brand promise across the organization, it may miss an opportunity to leverage the power of a unified brand. After all, Allina still incorporates an endorsed branding structure nearly ten years after it was founded.

### The star...

Another example of how unified branding might not be the best strategy is if a hospital has a specific service line or offering with a reputation that rivals or surpasses that of the institution as a whole. In that case, eliminating the service line brand for the sake of the larger institution must be considered very carefully. Imagine if the University of Texas decided its MD Anderson Cancer Center, often recognized as the best cancer center in the U.S., should be renamed The University of Texas Cancer Institute. Were this to happen, significant brand equity in the MD Anderson name would be lost. Indeed, the University of Texas has recognized this and has chosen to market the MD Anderson Cancer Center differently than it markets its other services. MD Anderson has its own logo, (with the University of Texas name subordinated within it), its own Web site, its own marketing effort entirely. The university is in this case making a service line more prominent than itself, and using its university name in an endorsing brand strategy approach.

# Conclusion

As we've shown in this paper, unified branding provides the most effective means for many hospitals to build a brand, from a marketing, financial and organizational standpoint. Of course, the decision to follow a path of unified branding is just the beginning, and many functional, political and financial challenges can make the process difficult. But an organization that embraces unified branding has taken a major step in instituting complete branding throughout the organization, which is, after all, the goal of any real branding effort.

# About the Authors

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Chris Bevolo is cofounder of GeigerBevolo Inc., a Minneapolis-based healthcare marketing firm that celebrated its tenth anniversary in 2005. His 15 years of experience includes leading the development of patient experience strategies, marketing and advertising plans, and branding campaigns for health systems, hospitals and other healthcare organizations. He has been a keynote presenter and featured conference speaker for a number of healthcare organizations on the topics of patient experience, branding, strategic design and positioning, and has also published a number of articles and white papers. Chris received his bachelor's degree in journalism and mass communications at Iowa State University and currently is pursuing an M.B.A. at the University of St. Thomas in Minneapolis.

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## End Notes


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xv Joel English, *Health Care Branding: From A to Z*, Health Care Communications, 1997

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xvii Steve Hillestad, *Health Care Branding: From A to Z*, Health Care Communications


note: Logo examples shown in this paper were not created by GeigerBevolo Inc.

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