The Personal Touch Pays Off For Children's Mercy Hospital

BY RHODA WEISS

For years, free-standing children's hospitals faced little competition. They enjoyed community support, and many local general hospitals closed their pediatric units. But in today's world of managed care, local hospitals are once again opening pediatric units. Free of the financial burden of supporting research and education efforts, which children's hospitals usually fund, these new entities charge lower rates for services and are formidable competitors.

Children's hospitals are fighting back with intensive and innovative marketing efforts. One such initiative is the Ambassador Campaign of Children's Mercy Hospital in Kansas City, MO, in which two-person teams of Children's Mercy physicians and local business or civic leaders call directly on the CEOs of large Kansas City businesses and corporations. After only a year, this face-to-face effort to emphasize quality over costs has already shown positive results, and Children's Mercy is poised to launch another round of such interviews for 1997.

"The Ambassador Campaign was implemented to provide Children's Mercy with a useful, personal means to communicate with those making purchasing decisions," explains Michael Hurd, Children's Mercy's director of marketing. "We selected community leaders and physicians who were articulate spokespersons with a passion for the hospital and who were comfortable promoting Children's Mercy." Hurd and Barbara Mueth, Children's Mercy's vice president for community relations, manage the program, which they developed and implemented with the help of an area marketing/communications firm, Corporate Communications Group.

GETTING STARTED

When the campaign began in 1996, 16 teams of physicians and civic leaders—many of whom had served, or were serving, on Children's Mercy's board of governance—attended a two-part training program in which they learned techniques for accomplishing the goals of the personal calls:

- Clearly differentiate Children's Mercy Hospital's value, capabilities, and services
- Strengthen existing relationships with major purchasers and develop new ones
- Ensure that Children's Mercy Hospital is a preferred provider on the insurance plans offered to the company's employees

Their thorough preparation for the visits contributed to the campaign's success. A key piece was the training notebook, developed specifically for the campaign, which included a discussion guide that outlined the important points to be made at each visit. Each team also was coached through a mock interview session, before making the actual calls.

The hospital initially targeted 60 executives to call on, and eventually pared the list to 30. In making this selection, Children's Mercy looked for large businesses with at least 500 local employees. Some were local companies, and some were national companies whose headquarters were in Kansas City. Each team made at least one call; some made two or three, but careful planning ensured that, on every call, one of the two team members already knew the executive they were visiting. During the meeting, which lasted no more than one hour, the team members covered their important points. Simply designed collateral materials were available if the executive had questions about specific areas, such as Children's Mercy's research and educational work, its costs, its role in community relationships, its focus on children's resources, and its expertise in meeting the special challenges of caring for children. After the meeting, a series of four follow-up letters tailored to each executive further covered specific information.

Scheduling the interviews with busy executives was a challenge in itself, but the teams completed the calls in the first half of 1996. "Our objective was to make a personal connection with corporate executives, open the door to managed care, "

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reaffirm our role in the community, and solicit employer support," said Hurd. "Through the teams’ efforts, we were able to reach the highest levels of influence within companies and organizations that are critical to the future of Children’s Mercy."

A LEARNING EXPERIENCE
The interviews gave Children’s Mercy Hospital a unique opportunity to present itself, and in the process the hospital also collected valuable information that helped it shape its marketing efforts. For example:

- The CEOs in general knew of Children’s Mercy Hospital and supported its role in the community. Consequently, many were surprised to learn of the risk of its exclusion by insurance providers.

- Children’s Mercy was perceived as a unique "niche" facility for difficult cases, serving patients regardless of ability to pay. The executives felt that it was a choice that should be available to all.

- Few understood the hospital’s role in educating health professionals; those who did wanted those costs clearly separated from the costs of providing health services.

- Even those companies under national corporate control had some influence over the selection of local providers.

FORGING STRONGER TIES
The personal touch has paid off. The initial campaign and the follow-up activities have already shown signs of deepening the relationships between business leaders of the Kansas City area and Children’s Mercy.

- The CEO of Yellow Corporation, a national trucking firm with 1,700 Kansas City employees and 35,000 employees nationwide, has publicly announced that his company will never offer a health insurance plan to its employees that excludes Children’s Mercy Hospital.

- The CEOs of Peterson Manufacturing, a Kansas City company of 802 employees that manufactures vehicle lights and mirrors, and J.C. Penney’s Kansas City regional distribution center, with 1,500 employees, have been working with Children’s Mercy staff to develop employee education initiatives, such as brown-bag lunches with Children’s Mercy staff on parenting issues.

- The CEO of the Kansas City Boatmen’s Bank (now NationsBank), which has 1,900 employees, directed its human resources department to ensure that health insurance plans offered to employees included access to Children’s Mercy.

“Although the number of visits may not seem high—only 30—they were so personalized that they have proven very valuable to us,” said Hurd. The Ambassador Campaign worked so successfully that Children’s Mercy Hospital has now embarked on a similar program in suburban Johnson County, KS, where Children’s Mercy South—a hospital featuring short-stay beds, outpatient clinics, same-day surgery, and a pediatric night clinic—is scheduled to open in August 1997.

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