

DISCIPLINED CUSTOMER RELATIONSHIP MANAGEMENT APPROACH PAYS OFF

Case Study

Strategic Planning and Marketing

Oakwood Healthcare System

Oakwood Healthcare System, a comprehensive regional network of healthcare facilities, operates in an intensely competitive market where shifts in economic patterns have created significant operational challenges.



Shrinking margins and a declining insured population have resulted in increased competition for a smaller population of financially viable customers. In addition, their service area is also projected to lose population in the coming years, aggravating an already challenging situation. Oakwood's marketing department has had to become more effective in its resource allocation and promotional tactics, and more accountable as a driver of volumes and revenue.

COURSE OF ACTION

Over the past three years, Oakwood has refined its reporting efforts and devised consistent, comparable metrics that are used to shift marketing strategy. The organization partnered with the **Marketing Solutions** experts from the Healthcare business of Thomson Reuters to sharpen targeting for Centers of Excellence, implement global control groups, develop a patient-source code strategy to better attribute downstream revenue, incorporate e-mail and digital media into direct marketing, and devise trigger campaigns to spur Centers of Excellence utilization.

The marketing department used the flexibility of the **crmView Strategic Marketing Solution**

to view their data in many different ways, such as by hospital or contribution margin, enabling them to better support the strategic goals of the organization. Oakwood has implemented pilot and niche programs as a result of the specificity of the data that they've been able to analyze.

RESULTS

The results of the disciplined Oakwood customer relations management initiative have been dramatic.

- During the last round of measurement, Oakwood's direct marketing campaigns had conversion rates of 28 percent, which provided a marketing lift of 6 percent over the campaign-specific control groups and 20 percent over the global control group.
- During the 2007 measurement period, the marketing department drove more than \$2.2 million in "active" downstream revenue—when the consumer responds to the call to action, reports a specific marketing activity as the source of his response, and then converts to clinical activity.
- During the same time period, 6 percent of all downstream revenue came from new patients.



THOMSON REUTERS
INSIGHT AWARD 2008

OAKWOOD HEALTHCARE
SYSTEM

Location:
Dearborn, MI

Size:
1,307 licensed beds

Scope and services:
Oakwood Healthcare, Inc., is a comprehensive regional network of hospitals, healthcare centers, skilled nursing centers, and related healthcare facilities. Oakwood has a medical staff of 1,200+ doctors and provides service to more than 1.2 million people in 35 southeastern Michigan communities. Oakwood's specialty services include women's and children's health, geriatrics, emergency care, cancer care, surgery, cardiology, and other specialties.

Solutions:
crmView™



“Oakwood has, for the first time, been able to comfortably attribute downstream financial success to its marketing efforts,” said Amy Middleton, director of advertising and vendor relations, Oakwood Healthcare, Inc. “Over time, we have gained significant insights into our business, the market, our marketing efforts, and the impact these make on the organization.”

“By establishing success criteria and continually improving efforts to reach these criteria, Oakwood has developed a marketing effort that is able to drive value in a rapidly changing organization,” said Middleton.

“The key to long-term CRM success is to not only execute marketing tactics and measure the results, it is learning from the results and subsequently adapting behaviors to maximize the benefit,” says Roy Sexton, corporate director, strategic communications and planning, Oakwood Healthcare, Inc. “Oakwood has fully embraced the Thomson Reuters iterative customer relationship management model and has seen measurable results in both near- and long-term results.”

Oakwood’s innovative use of Thomson Reuters Marketing Solutions shows the benefit of using this process. And by working with diverse departments, such as clinical service line leaders, administration, IT, and operations, Oakwood’s marketing team has gained buy-in on the marketing programs that they champion.

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Roy Sexton

Corporate Director, Strategic Communications and Planning
Oakwood Healthcare, Inc.

“Our collaborative approach to strategic program support—that includes marketing in the discussions about process implementation—has enabled Oakwood to operationalize processes in the organization that are supported by the targeted marketing campaigns,” said Sexton.

In 2008, Oakwood Healthcare System was acknowledged for its accomplishments with a Thomson Reuters Insight Award. The Insight Award was established in 2005 to honor and recognize customers who have used Thomson Reuters solutions and tools to achieve outstanding success at their organizations.

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