

---

## Can the retail experience shape healthcare?



---

The 2018 CEO Briefing Room, organised by Health Evolution, gathered 18 healthcare CEOs and Bill Simon, former President & CEO of Walmart U.S. to explore key insights from retail and Walmart experiences in serving the consumer that are particularly relevant to healthcare amidst the so-called "consumerism revolution".

Three important forces have shaped the retail industry:

- Consumers place increased value on the experience
- Consumers reward transparency and consistency with brand loyalty
- Consumers demand omni-channel engagement

For each consumer force above, leaders discussed healthcare's unique challenges, insights from the Walmart experience, and CEO perspectives on how the industry would evolve in the future. Healthcare CEOs have acknowledged that the shift to consumerism will require a fundamental transformation in how healthcare interacts with consumers

In healthcare – as noted by the CEOs from prominent payer, provider, and life science organisations – the experience remains poor, with nearly 80 percent of consumers reporting at least one healthcare hassle each year. In the case of Walmart, its simple store design and a limited service offering bring simplicity and convenience to the shopping experience.

The CEOs say healthcare needs to build a personalised and high-quality healthcare experience that attracts consumers. Designing this model, they agreed, will require a data-driven understanding of the consumer. Operationally, process and system investments will be necessary to eliminate hassles and enable healthcare's frontline to deliver the consumer-centric, personalised experience.

For Walmart, increased competition revealed the importance of returning to its mission: bettering shoppers' lives by delivering goods at the lowest price. Consistent marketing of its "Everyday Low Price", coupled with transparency in pricing, has enabled the company to build trust among its consumers and convert this into brand loyalty.

To keep pace, legacy healthcare institutions are broadening their capabilities and services to compete across new dimensions. However, these strategies are often employed without careful consideration of whether they support the core value proposition, and as a result, a larger number of consumer-centric programmes are not necessarily bringing in a larger number of consumers.

The CEOs noted that healthcare organisations tend to fall short when it comes to transparency, let alone clearly articulating the company mission to the consumer. To change this, they felt it critical to first embed the mission within the organisation and second, leverage the frontline workforce to communicate the mission to the consumer. Healthcare leaders also discussed incentive models and training plans that could reward 'brand ambassadors' and encourage innovation at a local-level.

Retail has seen many market losers as digital becomes a key capability – think Toys "R" Us, Sears, and Kmart. Walmart, meanwhile, continues to invest in expanding its brick and mortar assets to endlessly serve the value consumer. However, in 2016, when the company realised that it was not competitive in e-commerce with Walmart.com, it acquired Jet.com. Even as the Jet.com asset grows to meet its full potential, Walmart recognises that the opportunity to innovate has helped hone its value proposition and evolve with changing consumer demands.

Today, virtual care, mobile applications, retail clinics, and the like are bringing healthcare closer to consumers and meeting the consumer demand for convenience. As these new front doors gain popularity, traditional healthcare players are looking to stitch together different parts of the engagement model to create a real omni-channel offering.

In the CEO Briefing Room, leaders recognised that traditional payer and provider institutions will need to continuously and rapidly innovate to keep up with the omni-channel engagement model. Although they acknowledged the role of partnerships in rapidly acquiring and testing capabilities, CEOs expressed concern around how to better integrate data and insights cross-channel and cross-stakeholder. Furthermore, CEOs discussed the need for transparency not only between consumers and the system, but between different value chain stakeholders in order to make the omni-channel model seamless.

Source: [Health Evolution](#)

Image Credit: Pixabay

Published on : Tue, 18 Sep 2018