

## The Business Side of Medicine™

### Measuring ad campaign effectiveness

By David Schmiege



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#### What's working? What's not?

That's what you need to know about your advertising campaign to decide whether your ad spend is delivering the results you want. By knowing where campaign tactics are on point – and where they're falling short – you can better understand how to optimize your campaign and reach your desired goal.

In today's rapidly changing media landscape, medical practices are tackling the same challenge: how do we determine which advertising platforms to incorporate into our marketing mixes? The race is on, it seems, to see who can reach the greatest audience by creating the largest presence across print, online and mobile.

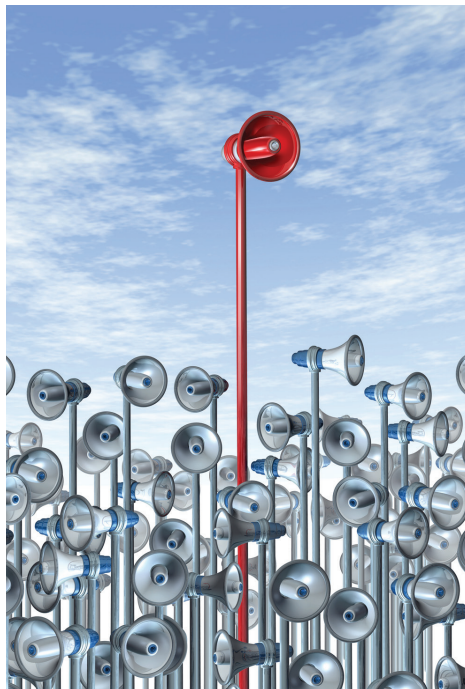
But while the tools available to deliver clinical messages to consumers are increasing, the key considerations have stayed the same. When it comes to measuring the effectiveness of advertising, the most important metrics to understand are:

- ROI – Return On Investment
- PAC – Patient Acquisition Cost
- RPP – Revenue Per Patient

Building brand awareness and market share are positive long-term goals, but growing a medical practice requires a measured, tactical approach to advertising that is based mainly on turning a dollar of marketing money into a multiple of patient revenue. Otherwise, the medical practice won't be around long enough to achieve its long-term objectives.

Before a conversation about advertising options can even begin, a medical practice should have a firm grasp on three aspects of their practice:

1. A thorough understanding of the characteristics of their targeted patients and referral physicians;



2. A thorough understanding of the zip codes of which their patients reside (service area), as well as the # of current and potential referral physicians whose practices fall within your targeted service area; and
3. A thorough understanding of the buying behaviors of their current and potential (desired) patients.

This data will play key roles in determining which marketing tools will make the most sense from an ROI perspective, so that your practice doesn't waste valuable resources on campaigns that will not generate patient interest.

The relationship between advertising objectives and budget decisions is a vital one. The size of the advertising budget, the selection of media, and the media strategy to be used, as well as the creative content of the advertising message are all determined by the objectives that your medical practice

is pursuing.

One of the most important changes facing marketing professionals is the increasing demand of accountability for advertising and promotional expenditures placed on them by medical practices that are paying closer attention to detail than ever before.

Approvals to spend money in advertising are a function of how well your marketing professional can demonstrate a financial return to your medical practice. Whether that return is translated into additional consultations, procedures, or an increase in the number of potential patients visiting a practice's website, it is clear that marketing professionals must be able to provide their clients with much more precise tools to measure the effectiveness of their advertising dollars.

Make sure you have clear advertising goals. You might want to boost monthly/annual revenue overall, but your objective should be more specific:

1. To increase revenue for a specific clinical service;
2. To build awareness of your practice (name, location(s), physicians;

3. To increase patient consultations in January – April in order to generate additional procedures in the Spring Summer and Fall months; or
4. To expand your physician referrals in a particular geographic area.

Tailor your evaluation methods to your goals. To assess the effectiveness of your advertising campaign, you can monitor requests for information, number of new patient appointments, number of new patient consultations, number of physician referrals, revenue over a specific timeline, website traffic or click-through rates.

Compare evaluation methods before, during and after an ad campaign. Keep in mind that advertising often has a cumulative or delayed effect, so ad-driven metrics may not materialize immediately.

In print ads, include a “Call To Action” so that you can determine which ad or publication generates the best results. Offer an incentive for patients to tell you they’re responding to an ad: “i.e., Mention this ad and get a free pair of compression”. Put it on your website or in the local newspaper, or use it as part of an ad on local TV or radio. It’s an easy way to know where patients are finding out about your practice. Use dedicated phone lines to track patient inquiries. For example, if you utilize a local or toll-free number in your ad, assign different telephone numbers to each advertisement.

Compare pre- and post-advertising traffic on your website. Your web host logs the hits on your site and should be able to provide you with daily, weekly or monthly reports. If you maintain your own web server, invest in software that generates easy-to-read traffic reports.

When advertising online, the old metric of click-through rates (the number of viewers who click your banner ads) is not a reliable method of knowing whether your advertisements are working. While ad networks that sell ad space on the Web track click-through rates and can provide you with performance reports, the numbers you really want to know are how long people are spending on your site and how many pages they are viewing per visit. That way, you will know whether you have truly engaged a potential patient. Of course, if they schedule a consultation from your website, then you know you really did capture them.

Keep in mind that you can’t gauge success if you don’t know what you’re trying to achieve.

## MEASURING EFFECTIVENESS OF DIGITAL MARKETING

Online advertising is available in a number of formats, from banner ads, to rich media ads to social media pages and more. As you get increased traffic to your website, you may wonder which advertising campaigns are providing the best return on investment (ROI) and which are not proving valuable to your practice’s goals. Tracking web campaigns requires some investment in your website up front. It also requires diligent work in monitoring campaigns separately according to your goals.

1. Establish the goals of your advertising campaign(s). For many sites, this is an increase in patient inquiries, appointments or new consultations. Once you decide on your goals, you can choose the metrics by which to judge when they are met.
2. Decide what metrics will be used to judge the effectiveness of your ad and devise your tracking method accordingly:
  - a) Increase in web traffic. This can be judged simply as the number of people who go to your website daily. A more sophisticated web traffic campaign would judge the number of visitors who request information or an appointment by completing a form with their name, e-mail, address and/or telephone number. If your goal is to establish a database, then judge your traffic based on new visitors who sign up on landing pages.
  - b) Length of visit. If your page’s effectiveness is judged by how long a person visits your site, then judge the effectiveness by the number of people who spend 5 or 10 minutes or longer on your website.
  - c) Page views. If you are providing high-quality content, such as downloads or videos to users, you will want to establish how many people download or stream your content.
  - d) Clicks. Many online ads are Pay-Per-Click (PPC), and you should gather both the number of clicks and the conversion rate. Choose a PPC ad provider that tracks both clicks and conversion rates. Google AdWords provides this tracking along with your bid on clicks.
  - e) Ad views. The number of ad views tells you how many times during a day, week or month that your ad was shown to web page viewers. This number is usually much higher than the number of people that click on your ad. Use this as a metric if you are trying to measure the effectiveness of 1 ad against another.
3. Establish baselines for traffic, clicks, sales and current campaigns. Gather data on the visitors that arrive at your site, where they come from and what the conversion rate is. You will use this data to compare against your online campaigns.
4. Invest in creating landing pages. Landing pages are specially designed pages that are used to collect data from users and they often allow you to sign up users for an account. Link your web ads to a landing page instead of your general website. They increase your ad’s chances of working. They can also help you develop your own database, if you offer high quality content when users sign up for your mailing list. Communicating with your database with email specials and promotions will increase the ROI. **VTN**

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