



Keeping Tabs on the Competition

by Eric N. Berkowitz, PhD

Community cancer centers, whether freestanding, hospital-based, or clinic-based, can benefit from market-driven strategic planning. Of course, this approach will include your organization's mission and goals and an assessment of needs. But a market-driven approach goes beyond the more recognized aspects of planning missions and goals.

A top priority should be to know your competition. To understand how your organization measures up in the marketplace, you need to ask: *What do my competitors offer that I can't?*

What doesn't the market like about my competitors? And, don't be afraid to ask: *What does the market like about these other cancer programs? What are the entry requirements to compete in this area?*

Answering these questions will help your cancer program decide *where* it will beat out the competition—whether it will be how your services are delivered, the number of satellite centers you offer, or in your patient-centric treatment approach. In marketing terms, this is known as your organization's differential advantage. Identifying your organization's differential advantage means recognizing the services or characteristics that set your cancer program apart. In other words, define the ways in which your program excels compared with the competition.

For community cancer programs, the following four criteria signal

a good differential advantage:

- The service is *important* to the customer (patients and their families).
- The service advantage is *perceived* by the customer, for example, participation in numerous clinical trials.

...Define the ways in which your program excels compared with the competition.

■ The service advantage is *unique* to your cancer center relative to other competitive offerings, which means refining and updating your marketing tactics.

■ The service advantage is *sustainable*. Your cancer center has to focus on a differential advantage that cannot be easily duplicated by the competition. Make your competitor work to match your enhanced services. An example might be implementing an electronic medical records system so providers can access patient records

instantly from computers in any location.

NOW YOU SEE IT, NOW YOU DON'T

Once you've identified your program's differential advantages, consider whether these offer "invisible" or "visible" value to your customers (patients).

Invisible values and/or services are inherent in the delivery of quality cancer care. Invisible values might include credentialing procedures for your clinicians, the quality assurance procedures that your cancer center follows, or the protocols that your cancer center uses to treat different disease sites. While all of these elements are essential to the delivery of quality cancer care, the patient does not directly see (or understand) them.

Market-driven strategies tend to emphasize providing "visible" value

to customers (patients), which can be challenging for cancer centers. Some of the more "visible" services provided by cancer programs include reduced waiting time for appointments and treatment, easy access to care, ample parking, courteous service, on-site boutique offering amenities such as wigs and prostheses, and a patient resource center with computer access.

Invisible services are not reimbursed by Medicare or private payers. While many visible services are reimbursed, Medicare is not going to pay you for streamlining your operations or increasing the size of your parking lot.

PUT STRATEGIES TO THE TEST

The marketing article and sidebars on pages 24-30, offer concrete examples of how to improve, grow, and market your cancer program. When your cancer program evaluates its marketing strategies, you may also want to take current and future reimbursement trends into consideration. Will your marketing strategy continue to create value if third-party reimbursement changes in the near future?

Market-driven strategic planning can help focus organizational marketing activities and help community cancer centers design approaches that are likely to be adopted and implemented by cancer program management. As a final step, consider the strategy's life span. Is it sustainable and will it continue to offer your cancer center a solid return on investment? 📌

Eric N. Berkowitz, PhD, is professor of marketing at the Isenberg School of Management at the University of Massachusetts in Amherst, Mass.