

Health Marketing Basics

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Introduction

Health marketing and communication is an emerging field that draws from traditional marketing theories and principles. [Health marketing](#) is defined as creating, communication and delivering health information and interventions using customer-centered and science based strategies to protect and promote the health of diverse populations.

Marketing

Marketing is the process by which products are used to meet human or social needs. By acting as the link between vendors and consumers, marketing is an essential part of the exchange of goods and services. The fundamental aspects of marketing are the same whether they meet the need for a commercial product or a public health service. Therefore, health marketing is a form of traditional marketing.

For both traditional marketing and health marketing, the end user of a product or service is called a 'consumer' and a group of consumers is referred to as a 'market'. Characteristics of the market are considered at every stage in the marketing process, including the initial development of a product.

Marketing Mix

Marketing mix is a term used to describe the integration of four fundamental marketing elements, which are sometimes called the 'four Ps':

- **Product:** the item, good or service that is being provided that delivers benefits to those who consume it; includes quality, packaging, design and brand name
- **Price:** monetary and non-monetary costs to the market
- **Place:** channels and locations where the product can be obtained
- **Promotion:** direct communication, publicity and advertising



Each of these four components should be present in a marketing plan. However, it is the science of correctly using these elements in combination with one another that provides the effective 'marketing mix'. Essentially, to be effective a "product must be tailored to customer needs, priced realistically, distributed through convenient channels, and actively promoted to customers" *

A Traditional Marketing Example

A soft drink company creates a new product under its brand name. To efficiently market the new drink, the product is advertised in the local papers with coupons that offer a price reduction. The company distributes the new drink with their existing products so that it is available at every major grocery store in the country. Here is how this company used the marketing mix:

- Product: new soft drink; released as part of existing brand
- Price: reduced price for introductory period
- Place: widely distributed to convenient locations
- Promotion: advertisements in local papers

A Health Marketing Example

The CDC develops a new rapid HIV testing kit that provides results in half the time of current tests. To efficiently market the new product, the testing kits are announced by the national media and medical journals. The CDC sends free samples of the new testing kits to each of the state health departments, who deliver them to local health departments, clinics and hospitals. Here is how the CDC used the marketing mix:

- Product: new HIV testing kit; released by a credible research agency
- Price: free for trial use
- Place: widely and evenly distributed throughout states using state and local health departments
- Promotion: national media publicizes to public; journals inform medical community

As demonstrated in these examples, each of the marketing mix elements must be present in the marketing process. Tailoring the elements to match the target market and using each component in coordination with one another leads to a successful marketing mix.

Marketing and Exchange

One of the fundamental aspects of marketing is exchange. Individuals pay a price (money) for goods or services in the traditional definition of an exchange. In health marketing, the exchange often involves a non-monetary price, such as effort or time.

An Example:

In traditional marketing the price is in money and is exchanged for a new care, a benefit.

In health marketing the price may be travel time to a health center in exchange for the benefit of getting a blood pressure screening.

In both commercial transactions and health marketing, consumers weigh the benefits against the price as they make decisions. For example, a person might agree to buy a banana for \$1 but not for \$50. The value of an exchange varies depending on the target market.

For examples:

A target market exchanges item # 1 for item # 2 for an outcome.

For a target (recent thinking is to use the term priority) audience of senior citizens time to do something normally fun, easy and popular on Saturday morning. Item #1. Is exchanged for reading information on skin cancer because it has a favorable value. Outcome.

Another example for the target audience of senior citizens is time to do something fun, easy and popular on Saturday morning. Item #1. Is exchanged for time playing an online game on obesity but this may have an unfavorable value or outcome.

For teenagers time on Saturday morning read information on skin cancer may have an unfavorable value or outcome.

Again, for teenagers time on Saturday morning to play an online game about obesity may have a favorable value or outcome.

As these examples show, different markets can value the same exchanges differently. Because senior citizens and teenagers have varying priorities and often use the same channels for different activities, they have opposite views of what constitutes an equal exchange. Understanding the specific market for each product or service is essential to effective marketing.

Choosing a Target Market

A critical decision in marketing is choosing the target market for the product. A 'target market' is a specific group of people who have similar needs, preferences and behaviors. Once a target market is selected by the marketer, a marketing plan is developed to match the characteristics of the target market. There can be one or more target with corresponding marketing plans for each. Choosing a target market is a first step in making appropriate distribution and promotion decisions. It is only through an understanding of the target market that one can develop an effective marketing plan and create value for customers.

There are several important steps in choosing a target market:

- 1. Define the market**

- Clearly define who the individuals are that make up the market you are analyzing. These are people who share a common need for your product, including people who may not yet be aware of that need.
- For example, if you want to design a campaign to encourage people to get tested for diabetes, the market for the testing procedure includes mainly people who are not yet aware that they may have the disease.

2. Segment the market

- Determine the characteristics that you will use to categorize the people within the defined market. Some common ways to categorize, or segment, people are : age, gender, ethnicity, geographical location, education level, income level, risk factors, etc.
- Following with the diabetes example above, imagine that you want to market the diabetes testing to young adults. You may know from your research about diabetes that the disease occurs more commonly among low-income populations and individuals with lower levels of formal education. In addition, if your intervention program is only offered in one city, such as Chicago, your market is reduced further. In this example, you could segment the larger market and select a “target market” of 17 - 24 year old individuals who live in low-income areas of Chicago and did not finish high school.

For this example, only one target market was selected. However, many marketing efforts choose more than one target market. The decision of how many target markets to select often depends on the amount of resources you have for the project. More target markets require more resources.

3. Analyze each segment

- Now that you have chosen a clear target market, it is time to better understand the individuals in this group. Through research you can determine the characteristics and behaviors of the group. There are many marketing resources that provide research information on different markets. If you select a market that does not have a large amount of existing research, you can conduct new studies through surveys, focus groups and other methods of collecting data directly from the market.
- Some things to consider when analyzing a market include: what media they use; what they do with the leisure time (television shows, music, websites); how they communicate with one another; what languages they speak, including slang words; what their opinions and knowledge are about the target health issue (such as diabetes in the above example); what their values are; etc.

In order to avoid stereotypes, you must use research and evidenced-based information to build your analysis. Many times the research of these markets reveals that their beliefs and behavior are much different than could be predicted.

A complete analysis of the target markets will result in choosing an effective target market and then, an informed development of marketing plan(s).

* Lovelock, Christopher & wirtz, Jochen. (2004). *Services Marketing: People, Technology, Strategy*. Upper Saddle River, NJ. (8)

Accessed on September 21, 2009 at www.cdc.gov/healthmarketing

Page last modified on June 27, 2006