

Banning Hospital Advertising

In 2012, a state legislator in Vermont proposed banning hospital advertising. His concern was that it was a competitive action to steal patients from another facility's market. Although he might not be the only individual to share this view, and the bill was debated, the newspapers in Vermont did not support this piece of legislation. While some sceptics might consider media's concern was the loss of advertising revenue, there were several factors that came into play. The geography of Vermont was a major concern in that competitors that border the state (you might want to examine a map if you are not from New England) would not be operating under the ban, but the proximity would allow their easy access to a small population. Thus, six reasons were posited why such a ban was not likely to pass:⁷⁹

- *Interstate competition.* While a ban would level the playing field in Vermont, it does nothing for out-of-state competitors.
- *Freedom of advertising.* While tobacco advertising has been restricted as having a negative effect on people's health, could the same be said for a hospital's advertising?
- *Would it result in real cost savings?* The total advertising expenditures of a hospital's budget is an extremely small amount of operating costs.
- *It is not England.* Hospitals in England were not allowed to advertise until 2008, even though they are part of the National Health Service.
- *No definition of marketing.* The legislation did not define the meaning of marketing and advertising. Would it ban promotion of quality and satisfaction statistics?
- *Unintended consequences.* There would be an economic effect on other businesses—advertising agencies, media, and so forth.

Conclusions

Advertising is an important ingredient of any health care organization's promotional strategy. Developing an effective media plan begins with a specification of its objectives. From this foundation, a budget and appropriate tactics for media selection and scheduling can be determined. Any effective advertising requires that there be a mechanism both to pretest and post-test the campaign. Increasingly, the digital environment has impacted the media vehicles in a significant way. Because of the serious nature of health care and the vulnerabilities of consumers engaged in the selection of health care services, significant attention is due to the ethical dimensions of the advertising strategy ultimately implemented.

KEY TERMS

Media Plan

Target Audience

Hierarchy of Effects

Objective and Task

Pretesting

Medium

Vehicle

Reach

Frequency

Flighting

Concentration

Pulsing

Cost-per-Thousand (CPM)

Gross Rating Points

Cost per Mille

Cost per Click

Cost per Action

Inbound Marketing

Geo-Target

Full-Service Agency

Boutique Agency

1. Adver
can be
2. The b
the m
nitior
3. Adve
hiera
objec
targe
4. Adve
a per
or "a
most
budg
5. The
requ
samp
6. In se
tisin
mus
frequ
7. Adv
base
stea

1. Out
able
tise
pro
tion
2. Wri
forr
pro
judg
faci
for
effe
3. Loc
Yoi
=pr
ma
Ret
in
wi