

Marketshare and Mindshare Marketing

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In order to maximize your potential, you must take a Marketshare and a Mindshare approach to your marketing. One of the most-watched ratios in the business world is the Marketshare held by a company. In business publications, you will often see references to the Marketshare achieved as a method of evaluating the success of the company or brand.

Marketshare

Marketshare targets potential patients in your marketplace. Your Marketshare strategy and tactical plan will be crafted to maximize the number of prospects you attract to your office and then convert into new patients. The most common forms of Marketshare marketing are: media advertisements, direct mail, screening, lectures, billboards, kiosks, telemarketing, signage, transportation, coupons and exhibits. One or more of these tactics are carefully crafted into a cohesive marketing strategy to target your desired patient demographics and psychographics. When you achieve a Marketshare of at least 30 percent in your marketplace, you have achieved total marketplace domination. You can calculate your current Marketshare ratio easily:

- Determine the population of your marketplace (a 15-minute-drive radius from your office location)
- Multiply your marketplace population by 12 percent. This is your marketplace potential population (MPP).
- Tally the number of patients you have served three or more times in the past 12 months (Total Patients Served or TPS).

You are now ready to calculate your marketplace ratio: $TPS/MPP \times 100 = \text{ratio}$. For example, your marketplace population is 10,000. The marketplace potential population would be 1,200. The number of patients served in the past 12 months was 169. So using this formula, the Marketshare would be 14. If your marketplace ratio is below 20 percent, you need to review your current marketing strategy and tactical plan. You are missing the mark and not fully achieving your potential.

Mindshare

The focus of Marketshare is to attract prospects to the office and then convert them a new patient. Mindshare, on the other hand, is how to increase the utilization of the services and products you offer in your office. In order to maximize your potential with Mindshare marketing, you must have a strategic and tactical plan to achieve your desired outcome.

The human brain is often compared to a supercomputer. It receives and stores the information over one's entire lifetime. The information is placed in a database by topic. The accumulation of information and experiences will determine attitude and perceptions about each specific topic that you have heard, read or experienced. How much of that information you receive, as well as how current it is will have a profound impact on how you judge a product or service offering.

Within the brain's database on health and wellness there is a tremendous amount of information

and experiences that the person will use to determine the effectiveness of your Mindshare marketing. The greater the confidence and trust a patient has with your brand of chiropractic, the greater their loyalty and the more likely they will refer their relatives, friends and co-workers.

Each time a patient purchases a competing service or product to solve a health and wellness issue, you risk losing them as a patient. The purpose of Mindshare marketing is to dominate their database for health and wellness, so they will seek out a solution from you first and foremost. The greater the Mindshare in terms of cross-utilization of your brand of chiropractic, the greater trust and confidence the patient will have regarding you in terms of their health and wellness database. Each time they visit a vitamin store, you risk losing a patient. Each time they visit a massage therapist (that you do not provide), you risk losing a patient. Each time you refer a patient to other health care providers, you risk losing a patient.

Typical Mindshare marketing activities include:

- Patient Education
- Patient Newsletter
- Promotional Events
- Workshops
- Patient Loyalty Programs
- Patient Referral Systems
- Patient Focus Groups
- Patient Surveys
- Patient Award Recognition
- Patient Testimonials
- Staff Expertise and Appearance
- Office Appearance
- Equipment
- Technology
- Product and Service Mix

Mindshare marketing is about Recency, Frequency and Monetary (RFM). Recency is the date of their last visit. Frequency is the number of office visits/purchases. Monetary is the revenue per patient. Using the RFM model, your practice management software should be able to provide you with a report to show your effectiveness. Using this report, you can identify specific patients to target for RFM improvement.

One quick ratio is to calculate your Ancillary Services Ratio. Ancillary services are any and all products or services that are not related to a chiropractic adjustment. The formula for this would be: ancillary services income/total income = ratio. For example, if you collected \$30,000 for non-chiropractic services and products (i.e., massage, nutrition, rehab, pillows) and your total collections was \$100,000, your AS Ratio would be $30,000/100,000 = 0.3$ or 30 percent. Your AS Ratio should be 30 percent or more to validate the effectiveness of your Mindshare marketing efforts.

The value of Mindshare marketing is reflected in your Patient Visit Average (PVA), Patient Lifetime Value (LTV) and Referral Rate. The benchmark targets for which you should aim are: PVA of 50 or more; LTV of \$50,000 or more; and Referral Rate of three or more per year, per patient.

Now that you have a better understanding of the two strategic components of marketing, Marketshare and Mindshare, which is right for you? We'll discuss what might work best for you in the next part of this series.

