



MILLENNIALS + HEALTHCARE

2019

LEAP AGENCY



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INTRODUCING LEAP AGENCY

WE ARE A FULL-SERVICE,
DIGITAL AGENCY THAT
DELIVERS TRANSFORMATIVE
RESULTS. THROUGH AN
INTEGRATED APPROACH OF
HUMAN UNDERSTANDING,
COMMUNICATION AND
TECHNOLOGY, WE CREATE
AUTHENTIC EXPERIENCES.

Our consumer-centric, data-driven
approach creates a seamless
journey for your customer across
all digital, physical and virtual
touchpoints. Your brand matters.
We make it matter more.

**MARKET
LESS.
MATTER
MORE.**



BRANDS WE MAKE MATTER MORE.

LEAP has extensive
experience in
the healthcare industry.

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SECONDARY RESEARCH



WHO ARE MILLENNIALS ANYWAY?

Born Between: **Ages:**
1981-1996 **23-38 (2019)**

Millennials account for about 25% of the entire US population, spanning a diversity of life stages in 2019. They are racially and ethnically diverse, more highly-educated, and more politically liberal than their predecessors.

They grew up in an era of swift change – technological, social, economic, and political. In response, they have developed dynamic habits around creating livelihoods in an era of ongoing change.

This generation is the darling of many companies' marketing efforts, as they have increasing social influence, buying power, and command of the market.

Millennials do a lot differently from their predecessors, including how they approach their health.

MILLENNIALS HAVE GROWN UP IN A WORLD WITH UNCERTAIN FUTURES.

Politics

9/11 was a significant formative event for Millennials. Seven years later, they saw – and helped facilitate – the election of President Obama. Recent decades have seen increasingly tumultuous political discourse about health and healthcare, of which Millennials – now, all of whom are old enough to vote – are active participants.

Economy

Older Millennials were waylaid by the 2008 recession – many in this generation still feel its effects.

Shrinking social security and population projections predict difficulties for Millennials, who will not have the same social supports that their parents and grandparents did. For many, retirement seems far off.

MILLENNIALS ARE FAMILIAR WITH HOW QUICKLY THINGS CAN CHANGE.

Technology

Millennials are early adopters of technology and grew up watching model after newer model brought to market across the tech industry.

The Internet

The internet has become a complex social landscape as well as a powerful, often-used tool for information and research. Millennials are comfortable leveraging the internet and their peers for information.

Society

Millennials are delaying life stages and life transitions compared to previous generations. They are buying houses later, if at all, are buying fewer cars than older generations, and are having fewer children.

Millennials are highly-educated, but the majority have student debt on average of \$30k. However, education helps guarantee greater economic gain and stable employment.



MARKETING TO MILLENNIALS

Brand loyalty isn't what it used to be.

Millennials do not have high loyalty to brands. Their ability to access technology means that they can narrow down their selection of a product or service by any conceivable metric.

Millennials choose brands that fit their own identity or values.

Multicultural representation does matter on the individual level – this generation wants to see themselves represented in marketing media and content.

Corporate social responsibility matters to this audience.

Millennials are generally averse to advertising and have clear preferences for ads.

More than half of Millennials report using an ad-blocker to avoid viewing digital ads. Additionally, traditional media advertisements are often ineffective with this audience.

They are more receptive to ads if information is channeled through social influencers, if ads are non-disruptive, and if they can control the means of delivery

Social media feeds are among the most effective channels to reach Millennials. Having a digital presence is table stakes for any company interested in drawing Millennial consumers.

Millennials research extensively before they choose a brand. Digital presence is imperative for any brand.

They trust each other more than they trust companies and brands.

For Millennials, the experiences of others are weighed heavily in the decision-making process. They consult with family and peers and they solicit opinions on social media. Word-of-mouth and social media presence rule.

Millennials are more interested in having experiences than they are in buying products or objects.

**Millennials are discerning,
looking at multiple
sources of information.**

Millennials choosing any product or service engage in extensive research. This research is leveraged against personal referrals, ratings, reviews, product/service comparisons, and furious Googling of relevant questions.

**Healthcare providers should be
aware of Millennials'
inclination to do research.**

They tend to vet health care providers thoroughly, relying on reviews, word-of-mouth referrals, pricing information, and other provider information before settling on where to seek care.

**Millennials don't want ads.
They want information.**

When it comes to healthcare, it's more important for Millennials to get information about providers and offerings than it is to get a hard-sell.



THE MILLENNIAL ECONOMY

The 2008 recession hit hard.

Millennials still feel the effects, even if they weren't old enough for their careers to be put off course. For older Millennials who were beginning careers during the recession, many are still behind financially. Across the board, Millennials feel the effects of stagnated wages and underemployment. They have a lower net worth than their parents, and they feel the squeeze of increasing wealth disparities between the poorest and wealthiest Americans.

Millennials spend less because they have less.

Millennials tend to forgo credit cards, cars, and buying homes. Most of their debt burden is tied up in student loan and medical debt. Simply put, Millennials don't have many finances to command.

The way that Millennials buy things every day foreshadows their healthcare preferences.

Millennials' spending habits show that they prefer shopping online to visiting stores in person, and that they are concerned with cost. Millennials shop with their phones and through mobile apps, and when considering projects, they leverage rates and reviews from other consumers to make decisions.

Cost is one of the top drivers of Millennials avoiding seeking healthcare.

Millennials care about many components of healthcare. They value transparency and trust. However, cost and affordability are a major driver of Millennials' health-seeking behaviors.

The price of healthcare has increased.

Healthcare costs have increased over the past several decades, and Millennials feel it. This generation has incurred more medical debt more frequently than previous generations. The debt that Millennials have isn't astronomical – research shows that over half of Millennials' medical debt is less than \$600.

Individuals who are 27-years-old carry 11% of medical debt. 27-year-olds who have lost their parents' insurance may be particularly vulnerable to incurring medical debt or putting off care until they have coverage again.



HEALTH + WELLNESS

Health is valued, valuable.

Millennials say health is their top priority, ranked higher than both family and careers. They drive a four-billion-dollar wellness industry. They buy wearable technology to track their own health data and they post that information to social media.

Exercise and nutrition have become cultural and social focal points, more so than for past generations.

Millennials drink less and smoke less than their predecessors, and their generation is more willing to normalize seeking care for mental health.

Health is holistic.

For Millennials, health is more than physical. They care about their social, spiritual, and psychological health, and have expectations that their well-being can be prioritized within institutions such as university or work.

Empowerment matters.

Millennials value their autonomy and distrust authority. Just like with advertising, Millennials want to be active participants in their healthcare, not passive recipients of information and direction. They are more likely to switch doctors if they feel dissatisfied, than older generations. Millennials have opinions about their own health and are comfortable self-diagnosing and asking for treatment – whether or not they're right.

Research, research, research.

Millennials research extensively before choosing a doctor. The research process includes talking to family, friends, and asking for collective experiences, opinions, and recommendations on social media. Millennials will compare doctors, prices, and hospitals in-network. The research goes beyond just choosing providers, with Millennials also relying on information online to learn about health, illness, and to self-diagnose.

Referrals matter – a lot.

When compared to past generations, Millennials are less likely to communicate poor experiences directly to healthcare providers. They would rather share negative experiences with one another. Word-of-mouth and referrals/recommendations are strong influencers for Millennials.

When choosing in-network providers, Millennials are likely to ask for recommendations from friends and family, and thoroughly check reviews or ratings.

Millennials would rather not go at all.

The statistics vary from source to source, but around half of Millennials do not have a PCP that they see regularly. They are less likely than previous generation to go to the doctor and are less likely to form personal relationships with care providers.

Convenience matters immensely to this audience. Scheduling options, wait times, and pricing are of top concern to this generation. They readily use patient portals and telehealth.

Millennials have a cynical view on the healthcare industry, especially when compared to more trusting previous generations. Millennials feel that going to the doctor means getting shuffled from one nurse to the next, with little opportunity for face time with their own physician. Before going to the doctor, Millennials will talk to family and consult the web to decide if their medical needs warrant a costly, inconvenient, seemingly useless trip to the doctor.

The whole experience matters.

Millennials are more willing to switch doctors than previous generations – they turn a critical eye on everything. They notice if interior design is outdated, if scrubs are old, and if equipment seems new. The quality of their interaction with care providers matters. Millennials are hyper-aware of how they are treated.

Integrating technology improves the experience for Millennials.

Millennials want available mobile apps and patient portals that allow them to digitize timely parts of the care process, especially if it saves them an unnecessary trip to the doctor's office. They are more likely than older generations to use digital care resources, like patient portals and telehealth. Millennials are also using digital and mobile resources to track their own health and to help make health-related decisions.

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PRIMARY RESEARCH

Largely avoidant relationship.

Think about healthcare when in need of healthcare.

- Daily maintenance (prescription)
- Severe illness/injury

Distrust of “medical industry.”

- Concerns about over-prescription
- “Educated guess” / “Trial and error” approach

Medical care is the last resort.

- Try to self-treat
 - Web resources
 - Family/peer recommendations (medical field)
- Threshold for seeking treatment
 - Five to seven days of symptoms
 - “Not able to get out of bed”



“I don’t think about healthcare day to day. Don’t really go to the doctor much. I have one prescription. I get it refilled every four months.”

“I pretty much never go to the doctor unless I’m dying.”

“It’s a theory, what they (doctors) think. They’re going to do trial and error.”

“When I go to the doctor, I have the same feeling as when I go to the car mechanic. I have no idea what they’re saying. I think I’m getting screwed.”



What is contributing to this avoidant relationship?

Inconvenience

- Long wait to get into PCP (wellness)
- Repetition in paperwork and communication
- Waiting room
- Waiting in exam room
- Taking time off work

Cost

- High cost of treatment and medication
- Fear of unknown cost
 - What might this lead to?
- Loss of income for visit



“Mostly, I hate waiting rooms and all of that...you wait to get in, you get in, and then wait some more because they are running behind.”

“In most insurance plans, my copay is still astronomical. I’d rather take my chances at this point, I’ll look up on YouTube how to do sutures or something, right?”

“I have full benefits. It’s just a big hassle to take off work, make the plans, and go.”



Most frequent “Little Clinic”-type providers.

- Fast
- Convenient (fits own schedule)
- Same copay as PCP

Acknowledge PCP is better option.

- History with patient
- Access to complete medical history
- Inconvenient

Avoid immediate care and ER due to high cost.

High utilization of dental care

- 90% of participants regularly visit dentist
- Always on time



“I go to the Little Clinic if I have something wrong. It’s just easier.”

“I can go [to the Little Clinic] on my schedule and even get some grocery shopping done while I’m there (laughs).”

“The dentist always makes me feel better. It’s a matter of appearance. No one can see your insides, but your teeth are always showing.”



Limited experience and knowledge.

- Heavy reliance on trusted experts
 - Insurance-employer HR
- One to two jobs with benefits

Tendency to select middle-tier option.

- Cost averse but want sufficient coverage

Substantial anxiety when uninsured.

- Uninsured due to circumstance
- Fear of injury or serious illness
- Even higher avoidance of medical care



“My work has three tiers. The lowest is totally gambling that you’ll never get sick. The middle one makes sense.”

“I don’t have insurance. I’m terrified something is going to happen. I feel like bubble boy, avoiding all sharp objects (laughs).”



Family/peers important in identification of providers.

- Who do my parents go to see?

Provider selection is primarily dictated by...

- Insurance coverage
- Convenience (proximity and availability)

Other considerations are...

- Experience/education
- Demographics (age/gender)

Reviews and provider website play role in validation.



“I’d start my search by asking my family and friends who they would recommend. Several work in the industry- so I’d trust them”

“I wouldn’t go to a doctor over 60. They aren’t up to date on the current research and tend to be less thorough”

“Proximity is important but so is the ease of finding the office. My most recent doctor was selected because I knew exactly where the office was located”



Being healthy is the baseline of comfortable living.

- Absence of symptoms
- Most illnesses are acute, self-healing

Wellness plays much more substantial role than healthcare.

90% spend more time and money on wellness than healthcare.

View wellness as holistic care.

- Physical care
 - Food, sleep, and exercise
- Mental care
 - Turning off brain
- Spiritual care
 - Yoga, meditation



“Being healthy is feeling like I know I should feel.”

“The world is going 24/7, it's important to take time for self-care, to turn the brain off.”

“Being healthy is being comfortable.”



Drug companies lead the way in healthcare ad recall.

- Lifestyle imagery does not fit severity of illness
- Reaching levels of self-parody with symptom list

Limited recall of provider marketing.

- Several comment on ER wait time billboards

Desire to see real-life testimonials in advertising.

Self-reported to be most influenced by short video ads.

- YouTube pre-roll (with “catchy music”)

Social influencers can be effective in wellness and healthcare marketing if relatable.



“Drug commercials are all the same. They spend five seconds talking about the medicine, and the next 25 listing the symptoms.”

“I don’t like celebrity endorsements. They seem fake. I like influencers within my peer group – like a friend that lost 60 pounds and is talking about her experience.”



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WHO'S NEXT?



GEN Z

Some Millennial trends persist with Gen Z.

Gen Z is more likely than Millennials to not have a PCP, and they have carried forward Millennials' preference for virtual and digital capabilities in healthcare. They share Millennials' dissatisfaction with the current healthcare industry, and they are also relying on retail/urgent care clinics at a higher rate than the ER or PCPs.

Gen Z will pose novel challenges to the healthcare industry.

Many members of Gen Z have not had serious experiences of illness or of making health care decisions independently from their parents. The healthcare industry will need to be adaptive to their needs as they emerge into the health care market as adults. Research about this group is comprised of best guesses of how they may behave upon entering adulthood.

There are some things we know: Gen Z consumes enough content to fill the hours of a part-time job, and most of their browsing is done on smartphones – even more so than Millennials using the same technology. They abhor ads like Millennials do, but report that they find social media and digital ads more favorable. Reaching them will require all brands – including healthcare providers – to enter the digital landscape.

Gen Z is comprised of people born between 1995 to present day. They are true digital natives for whom using technology is second nature. They are even more diverse than Millennials and have been raised in diverse environments and nontraditional families. They are open-minded, optimistic, and able to execute their ambitions.

Four parallel, wavy, light green lines that start from the left edge and curve upwards and to the right, ending near the top center of the frame.

**WHAT ELSE DO
I NEED TO KNOW?**

Understanding of variability amongst millennials.



ALL MILLENNIALS



ESTABLISHED FAMILY
MANAGER



SELF-EMPLOYED PRICE
SHOPPER



CONVENIENCE SEEKER

How the emerging Gen Z consumer approaches healthcare.

This generation is just coming into its role as an adult healthcare consumer.

Most published research is at a general level.

Need to understand the behaviors, challenges, and needs in a localized sample.



APPENDICES

MILLENNIAL WORLDVIEWS

Optimism, Individuality, Inclusion

Millennials grew up in an idealistic world, where they were taught that their individuality was important, and that being educated would lead to success.

As adults, Millennials know how to play together. They value collaboration, and rather than being unable to make decisions by themselves, they simply believe there's power in learning from the experiences of others. They trust one another more than they trust authority, including brands.

They are not a single marketing segment.

Marketing theorists have refuted the temptation to view Millennials as a single audience segment. There is still a large amount of diversity within this generation.

Some are “digital natives,” some are “digital immigrants.”

Not all Millennials grew up with digital technology – younger Millennials are more likely to have had childhoods saturated with technology.

The economy is not the same for Millennials as it was for their parents, a fact that many long-suffering Millennials are vocal about in 2019. With the data showing clear-cut economic shifts disadvantaging Millennials, old narratives about why this generation is delaying life milestones and generally doing things differently are falling away.

Millennials have light pockets. They have fewer assets, lower wages, and lower net worth than their parents. Much of the delayed life transitions that plague Millennials are because of affordability.

Cost is concerning – and health care is costly. Most Millennials direct their money into a robust wellness industry, seeking to offset the real but abhorrent potential for medical debt by simply not needing the doctor.

For Millennials, health and wellness are a part of everyday life. This generation has a dynamic approach to health and has many resources at their disposal to stay well and monitor their wellness.

Millennials have biometric technology that connects to their social media. They have yoga studios, they have (to the frustration of many healthcare providers) WebMD, and other health + medicine websites.

They also have urgent care clinics, insurance shifts, and generation-specific health challenges. Studies show that Millennials experience a decline in their overall health after age 27, and that they are less healthy than previous generations were at the same age.

Primary Care Crisis

Many Millennials do not have a PCP in much higher proportions than previous generations. The numbers can range from 25-61% who do not use a PCP, but it's a clear trend however the numbers are cut. Alternatives to PCPs are popular among Millennials, whose aversion to doctors has many motivations. Going to the doctor is inconvenient for this generation, and when they go, they don't feel as though they are rewarded. It's much faster to visit a retail clinic or an urgent care center to get fast (if fragmented) care.

Millennials may not see the usefulness in long-term provider relationships. Being young, they mainly experience acute illnesses that heal on their own.

Insurance doesn't guarantee a visit.

Even with insurance coverage, many Millennials avoid going to the doctor to avoid incurring medical debt. This generation has more medical debt than other generations, and they desire transparency about medical costs from healthcare providers.

Millennials are sicker than Gen X was at the same age.

An aspect of disease incidence may be socially-driven. There is not as strong of a stigma for Millennials to seek care for certain health conditions like mental/behavioral. Still, Millennials do experience myriad social, economic, and political stressors that have contributed to their being labeled the most “anxious generation.”

Obesity is a challenge for Millennials, following population-level trends of increasing obesity among adults. In 2018, 36.5% of Millennials were obese.

Occupational hazards of a different sort affect Millennials compared to other generations. Despite the importance of being digitally connected, persistent use of smartphones and computers can have negative health outcomes. Sedentary jobs can also increase Millennials’ health risks.

Blue Cross Blue Shield's Top 10 Health Conditions Affecting Millennials:

1. Major depression
2. Substance use disorder
3. Alcohol use disorder
4. Hypertension
5. Hyperactivity
6. Psychotic conditions
7. Chron's disease/Ulcerative Colitis
8. High cholesterol
9. Tobacco use disorder
10. Type II Diabetes



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