

# Consumerism

## New priorities and expectations are reshaping the health care mindset

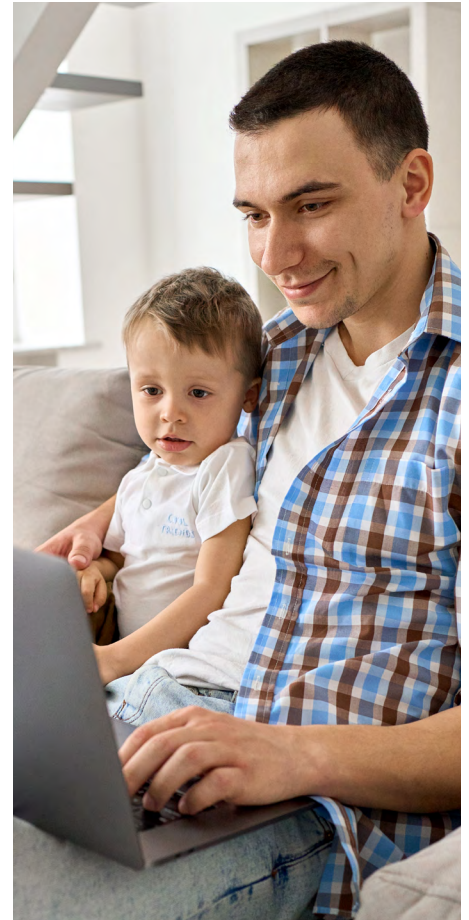
New attitudes toward health are influencing consumer expectations, impacting engagement with the health care system and redefining business priorities. Consumers are facing economic headwinds, rising health concerns and looking for affordable pathways to better health. Tech-savvy generations such as Gen Z and millennials prioritize holistic health, embrace digital solutions, and seek discussions on affordability, climate change and mental health. And 61% of baby boomers say they would use telehealth for their chronic disease management.<sup>1</sup>

Gen Z and millennials willingly share their data for personalized insights and view wellness as a form of self-care. This is evident in the growth of the global wellness market, which is projected to reach \$1.8 trillion by 2024.<sup>2</sup>

A recent KFF Health Tracking Poll asked voters what they want to hear the candidates talk about regarding health care during the 2024 election cycle.<sup>3</sup> Consumers said they prioritize discussions on the affordability of health care, inflation, the future of Medicare and Medicaid, access to mental health care, and prescription drug costs. These topics are considered “very important” by a wide majority, highlighting their significance to consumers.

These attitudes are increasing demand for personalized and digital-first health care experiences and greater transparency and accessibility in health care services. These preferences are driving significant shifts in the way health care is delivered and experienced.

All consumers want choice, convenience and affordability. But it is not enough to simply increase access and deliver appropriate, timely services. Health organizations must meet growing expectations around transparency, sustainability and mental health if they want to earn younger generations of consumers.



## Forces driving consumerism in 2024

Experts believe simplicity, access and improved outcomes remain top priorities for consumers across all demographics. Consumers expect the same level of digital access that they get from other industries. They want tools that empower them to make the most informed decisions.

They are currently feeling an inflationary pinch as the cost of coverage, care and prescriptions becomes a greater percentage of their household expenses. Despite not knowing the term “value-based care,” they are increasingly invested in their health care and are actively adopting preventive digital solutions. Experts agree that consumers won’t buy what they don’t trust or can’t afford. Systems without reliable, affordable options could find consumers going elsewhere or see their outcomes decline.

Now that virtual care has taken hold, consumers continue to utilize it as an option because it can be quick, convenient and cost-effective. However, data also tells us that patients still prefer in-person visits when given the choice. This could be due to behavioral inertia. Patients and providers alike are accustomed to health care being delivered in person. To avoid falling back into the status quo, health care will need to solve the problems that make some perceive telehealth as less desirable. Issues reported include lack of access and technological difficulties, privacy, spending enough time with their physicians and receiving proper examinations. Interestingly though, high satisfaction coexists between both virtual care and in-person settings, hinting at the value of both given the right applications. Health care leaders will be challenged to find the balance between these services to continue to improve access, maximize outcomes and meet changing consumer expectations.<sup>4</sup>

Consumers are expecting personalized, friction-free experiences that can meet them where they are. Recent advancements in generative AI hold significant potential. AI-driven, personalized care plans based on individual health history and lifestyle factors can lead to improved treatments, higher engagement and better outcomes. AI is also now able to streamline administrative tasks, resulting in quicker and more efficient service for consumers.

## Consumerism: Progress, challenges and what to watch

People want to make educated decisions when choosing care and expect a consumer-focused, seamless digital experience that includes their medical records, care plans, billing and scheduling in one place. Offering such a seamless experience can drive engagement, loyalty and market share.

Consumers want to understand the cost of care and how to pay for services. They also seek information that guides them to appropriate sites of care, as well as the care modality that offers the best experience at the right price.

The industry is still learning about segmentation but can start with broad strokes. For example, women are often the health decision-makers, managing family care and requiring solutions that might not exist. We could consider the difference for consumers in managing acute care versus chronic conditions. Consider generational preferences as well.



It’s best to begin with the basics and get them right, consistently. All consumers are concerned with finding appropriate care, understanding the cost of care, knowing how to access care, scheduling appointments and understanding payment options.

– Rita Khan

Chief Consumer Officer  
Optum

As an industry, we have an obligation to respect how these situations and outlooks can shift consumer needs, expectations and behaviors.

Consumers also expect individualized care plans. This requires harnessing medical data, including social drivers of health and self-reported data. The industry is making some progress here, but there is room for growth. By collecting and sharing data more completely, payers and providers can better predict utilization trends and implement more proactive strategies. As we make more progress here, everyone will benefit.

It's crucial to engage with consumers and understand their changing needs and behaviors. This extends beyond simply offering services and surveys. It includes richer levels of interaction to understand the consumer's journey from seeking health care to managing their care holistically.

## Moving forward with consumerism



Be certain health leaders see the business mandate for prioritizing a personalized, seamless, easy experience for consumers.



Start by delivering the basics consistently. Focus on increasing access to care and information to empower consumers to make wise choices.



Include the voice of consumers early and often as you evolve your services. Understand how they interact with health services and what affects their decisions.



Use data to understand consumer behaviors and equip providers to match care plans with their preferences.



Gather ideas from across the workforce and your ecosystem on how your experience can reduce friction for everyone.

## Why the time to act is now

A good consumer experience is a crucial component of an organization's financial strategy. The financial levers of value-based care, the new capabilities of generative AI and workforce challenges should inspire leaders to take immediate steps to simplify the health care experience. Delayed action compromises satisfaction, lowers quality ratings and raises the level of investment required to catch up later.

Consumers have demonstrated they will abandon organizations that cannot offer digital access, empower their decision-making and provide the quality care they need. A simplified experience can build patient loyalty, improve outcomes and help strengthen an organization's financial position.

### Consumerism sources

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