

# Operators should design intuitive consumer healthcare services with transparent pricing

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Consumer digital healthcare offers attractive revenue opportunities to operators. Indeed, the worldwide consumer digital healthcare market is worth over USD100 billion, and operators already have assets that they can use to enter this market.

[As we have written previously](#), operators are following one of two different approaches when it comes to consumer healthcare: some are focusing on a single healthcare service, while others are building a broader platform that incorporates multiple services. These services fall into areas such as telehealth, wellness, health data management, health e-commerce, health finance and assisted living.

The second approach is attractive because it can drive greater service usage, has superior revenue potential and gives operators more longer-term options. However, these multi-service platforms will be more complex to develop and manage. Customer-centric, easily navigable apps with services that clearly complement each other are crucial to successful multi-service app plays. Easy-to-understand pricing is also important.

The information in this article is based on our report, [Consumer digital healthcare: the full range of opportunities for operators](#).

## Multi-service offerings are attractive to players that are bullish on healthcare, but there are many elements to get right

Building multi-service propositions is more suited to operators that are particularly bullish about the healthcare opportunity. This approach is attractive because multi-service propositions can encourage higher levels of repeat usage. A service that combines telehealth with wellness elements, for example, appeals to both consumers that are requiring urgent medical attention and to those that are simply monitoring their day-to-day physical and mental health. Higher levels of repeat usage may also offer greater potential to generate revenue from subscriptions. Furthermore, products can be bundled with telecoms services.

The risk, however, is that multi-service offerings do not bring these benefits due to fragmented or poor user experiences because of incongruous service mixes, convoluted customer journeys and complex pricing structures. Multi-service propositions have multiple moving parts and there is therefore a great deal for service providers to get right.

## Operators can enhance customer experiences by making platforms intuitive and by adopting simple pricing structures

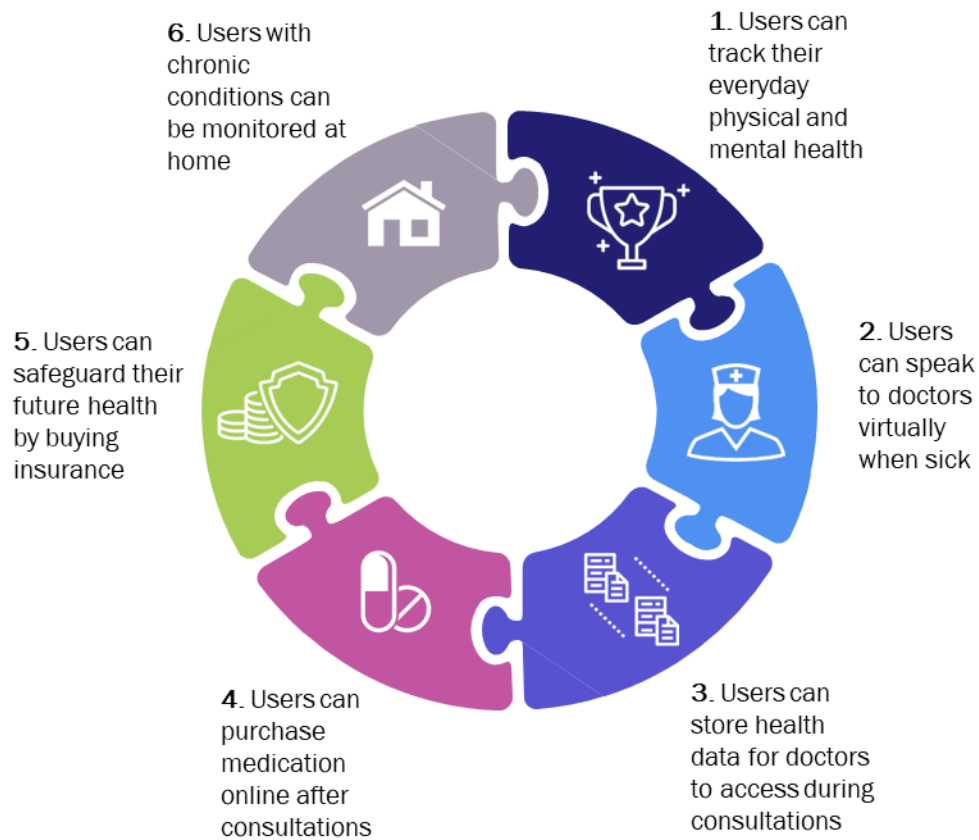
Operators need to think more about building platforms that are easy-to-use than about building digital shopfronts for healthcare services in order to protect their investments in multi-service offerings. They should focus on two key aspects: catering to diverse customer journeys and offering simple pricing models.

## Platforms should support diverse customer journeys

Services should complement each other effectively and accommodate customers' evolving needs. Platform providers can do this by either embedding some services in other services or enabling users to seamlessly access one service after another. For example, when using a telehealth service, users may want to share digital health records with their doctor, and it therefore makes sense to make their health data accessible during consultations. Customers may want to buy medication after a consultation, so e-commerce options could also be included in the service.

Figure 1 presents a simplified visual representation of this idea. In reality, there are multiple possible customer pathways, and platforms should be designed to acknowledge this.

**Figure 1: Theoretical customer journey for a multi-service healthcare proposition**



Source: Analysys Mason

## Pricing should be customer-friendly

Harmonised pricing is a challenge given how many different services are provided in a single place, but pricing is one of the main ways in which operators can differentiate their services. Health insurers are key competitors and many suffer from poor customer satisfaction due to opaque and difficult-to-understand pricing policies. Operators should therefore aim to provide better pricing experiences for customers by emphasising transparency.

Subscription pricing is a good model for multi-service platforms because it is uncomplicated and limits the risk of bill shock. Not all customers will want access to all services provided on the platform, so providers can implement variations on simple subscription pricing. The options are as follows.

- **Subscription tiers.** Globe Telecom's KonsultaMD product offers three annual subscription plans. These are tiered by the number of video consultations and customers covered.
- **Subscription with pay-per-use pricing for additional, non-core services.** Telefónica's Movistar Salud offers two monthly subscription plans: one for individuals and the other for families. In-home consultations and remote consultations with specialists incur an extra fee on a per-consultation basis. This pricing structure works well where there is a clear distinction between core and non-core services.

## Operators need to take a customer-centric approach to consumer healthcare

Ensuring that platforms support high-quality seamless customer journeys and that pricing is easy to understand will enable operators to improve their chances of gaining early traction in the consumer healthcare market. However, they will need to retain a customer-centric approach throughout in order to succeed in the long term, and this will involve seeking out customer feedback on a consistent basis and incorporating it into service design.

Ultimately, taking a customer-centric approach could mean adding to some services (such as adding telehealth consultations with specialists) or slimming them down (such as removing everyday pharmaceuticals as a shopping category for an online pharmacy). The aim for players should be to provide a valued user interface to a broad service range, but providers should ensure that each and every one of their services has a utility and value for customers in order to guarantee that the overall proposition is successful.