WHITE PAPER

IMPACTING PATIENT SATISFACTION THROUGH SUSTAINABLE DINING PRACTICES

sodexo
QUALITY OF LIFE SERVICES
A Review of the Connection Between Sustainable Dining Efforts and Patient Experience Impact

Over the last decade, the healthcare and sustainability landscapes have transformed, but have yet to become truly integrated despite the significant potential to impact change. The healthcare industry comprises approximately 16% of the national and regional economies. According to the World Health Organization (WHO), the United States spent more on healthcare per capita $8,608 and more on healthcare as a percentage of its Gross Domestic Product 17.2% than any other nation in 2011.

As a powerhouse industry, small changes in healthcare can make universal, instrumental change achievable. The 8% of US greenhouse gas emissions and $1.1 billion in negative health impact resulting from a typical coal-powered, 200-bed hospital are just a few sustainable factors that could be impacted by changes in the healthcare industry.

So why have sustainable practices not become a mainstay in the industry despite evidence that cost savings are a direct impact? A Commonwealth Fund 2012 study shows that implementing four sustainable practices alone could save the industry $5.4 billion over five years and $15 billion over ten years. Further, 93% of CEOs see sustainability as important to the future success of their businesses, 78% see sustainability as an opportunity for growth and innovation and 80% see these issues as a route to sustainable advantage in the industry. It seems obvious that embracing sustainable practices makes business sense. However, there is very little traction. What is the missing link? What does your team need to hear to make sustainable practices a top priority?

DID YOU KNOW?
Sodexo has been ranked, for eight consecutive years, 2008-2015, as the best-performing company for Economic, Social and Environmental performance in the benchmark RobecoSAM ‘Sustainability Yearbook’ as Industry Leader and Gold Class.

“Patient & Visitor Perceptions of Sustainable Practices” study objectives

- Determine what impact, if any, sustainability makes in overall patient (and visitor) satisfaction
- Prioritize sustainability practices for adoption
- Determine what level of understanding patients (and visitors) have of sustainability practices

Sodexo believes consumers – patients and visitors – are the missing link. A growing imperative in healthcare, patient experience must be a priority to healthcare leadership. In the coming pages, we will directly link sustainable dining practices to customer experience metrics. Through a custom consumer survey, Sodexo, an award-winning industry leader in sustainability, joined with Practice Greenhealth, the nation’s leading membership and networking organization for sustainability-focused healthcare organizations, to provide evidence-based tactical steps that your organization can take to impact your patient experience metrics through sustainable practices.
SUSTAINABILITY AS A CONCEPT
Unfamiliar to Some, Important to Almost All

It is apparent that the concept of sustainability is not clear in any consumer environment. Definitions associated with the concept can range between generations, industries, socioeconomic status and beyond. Although the most associated words vary significantly, there are consistent themes such as renewable, lasting and responsible.5

After researching societal trends, Sodexo adapted a definition of sustainable by Practice Greenhealth to understand the perceptions specifically of healthcare patients and visitors. See the call out box. Sodexo’s research shows that while sustainability is Sustainability as a Concept: a more common term today than a decade ago, only 54% of respondents said they were very or somewhat familiar with the concept. However, once the concept is defined, an overwhelming 94% of healthcare patients and visitors describe sustainability as extremely, very or somewhat important to them.6

This data aligns with consumer preferences across all industries that demonstrate 54% of consumers are “more aware of the social responsibility and sustainability policies of individual restaurants today” than they were two years ago, and specific to the restaurant industry, 86% are more likely to choose a “green” restaurant over non-“green” options (32% very likely, 54% somewhat likely).7

Sustainability practices that impact patients positively affect their...

- Satisfaction with overall experience
- Satisfaction with food & beverage experience
- Likelihood to choose hospital again

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How to Leverage Sustainability

While there is confusion around the definition of sustainability, patients and visitors do clearly recognize specific sustainable practices and see a benefit to their healthcare experience. Although only 27% of respondents in the study shared that they noticed sustainable practices in their most recent healthcare experience, more than two out of three said their satisfaction with their healthcare experience increased. Further, 31% of consumers are willing to pay a premium and believe it is a cost of doing business. How, then, do you leverage this newfound knowledge to benefit your organization?

Determining those specific practices for your organization can be overwhelming. Research from Sodexo’s Corporate Social Responsibility team in 2013 shows top strategic sustainable priorities for healthcare clients are “energy and waste” and “local and sustainable foods.” The importance of local and sustainable foods to healthcare clients is based on benefits to the local communities from an economic and wellness perspective. To align with industry priorities and Sodexo’s Better Tomorrow Plan pillars of environment, local communities, nutrition and health and wellbeing, a variety of practices were selected for the study.

Sodexo and Practice Greenhealth investigated this specific series of sustainable practices to help organizations prioritize implementation by providing evidence of customers’ familiarities, preferences and incentivized actions. Examples of the sustainable practices studied are included in the graphic to the left ranking practices from highest familiarity to least.

Understanding patients’ familiarity with a practice is different from measuring how their preferences align with action to impact resulting behavior. The joint Sodexo/Practice Greenhealth study utilized a Kano model to understand the impact on hospital satisfaction if the selected individual sustainability practices were present or missing. The Kano research approach resulted in the assignment of each practice into an aggregate category based on customer satisfaction. In this whitepaper, we will highlight the practices that fall into the categories of expected (performance needs), exciters (delighters) and musthaves (basic needs).

Hospitals should communicate specific sustainable practices and their benefits to drive awareness and recall. Consumer familiarity is stronger and higher for individual practices than the term sustainability.

FAMILIARITY WITH PRACTICES (VERY/SOMewhat FAMILIAR)

<table>
<thead>
<tr>
<th>Practice</th>
<th>Familiarity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmers Markets</td>
<td>78%</td>
</tr>
<tr>
<td>Reduce-Reuse-Recycle</td>
<td>76%</td>
</tr>
<tr>
<td>Fresh Food from Local Food Suppliers</td>
<td>75%</td>
</tr>
<tr>
<td>Cafeterias that Offer Healthy Food Choices</td>
<td>69%</td>
</tr>
<tr>
<td>Meat and Poultry Raised without Antibiotics</td>
<td>69%</td>
</tr>
<tr>
<td>Reducing/Eliminating Sugar-Sweetened Beverages</td>
<td>68%</td>
</tr>
<tr>
<td>Organic Food</td>
<td>66%</td>
</tr>
<tr>
<td>Reducing Food Waste</td>
<td>66%</td>
</tr>
<tr>
<td>Vegetarian Meal Options</td>
<td>62%</td>
</tr>
<tr>
<td>Composting</td>
<td>61%</td>
</tr>
<tr>
<td>Programs with Healthy Patient Meals</td>
<td>61%</td>
</tr>
<tr>
<td>Energy Management</td>
<td>61%</td>
</tr>
<tr>
<td>Hormone-Free Milk/Dairy Products</td>
<td>57%</td>
</tr>
<tr>
<td>Healthy Vending Choices</td>
<td>57%</td>
</tr>
<tr>
<td>Sustainability-Grown Produce</td>
<td>53%</td>
</tr>
</tbody>
</table>
What is Expected vs. What Creates Excitement

Expected

According to Saine, there are two types of features in this category. “There are ‘must-be’ features, such as healthy patient meals and healthy options in the café that are expected to be present for patients and visitors alike and gain no additional return for more availability, but if not present, satisfaction decreases. Then there are one-dimensional features, such as recycling and energy-savings measures. With these, more is better and each directly increases satisfaction.

One Dimensional: More is better with these features, and directly increases satisfaction.

Must-be: These features are basic requirements that must be present for satisfaction.

Exciters

Food sourced from local farmers, fresh and local produce, healthy vending choices, and even composting, are features that can help differentiate your organization according to study results. Saine stated, “These ‘exciter’ practices can delight patients and visitors, drive satisfaction, make a lasting impression and help a healthcare system stand out from the competition. However, our research shows a site or system will see no negative impact by waiting to launch these practices; they are not missed by customers. There is only potential for a positive impact on patient satisfaction.” “All sustainability practices are not the same when it comes to impacting patient satisfaction,” says Alison Saine, Director at Sodexo. “Two distinct categories have been outlined as the ‘Expected’ and ‘Exciters’.”

These features are the ones that delight or “wow”, however, the consumer is not necessarily unhappy if one is not present. They can help you stand out from the competition.

All sustainability practices are not the same when it comes to impacting patient satisfaction. Two distinct categories have been outlined as the “expected” and “exciters.”

Alison Saine
Director, Sodexo

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THE MISSING LINK IS FOUND

Sustainability Impacts Your Patient Experience & Revenue

Driving patient experience metrics can have a direct impact on reimbursements from the government and additional revenue. In 2014, approximately $1.1 billion was redistributed through Value-Based Purchasing (VBP) for Medicare and Medicaid alone—up from $850 million in 2013. In addition, 30% of VBP is based on patient satisfaction results. The Advisory Board estimates that effective management of patient loyalty could potentially mean nearly $4 million in revenue for a typical hospital.

Through Sodexo and Practice Greenhealth’s study, the data shows that sustainability practices do have a positive impact on patient experience. In fact, there are three key consumer metrics that are positively impacted by effective placement and communication of sustainable practices: overall satisfaction, satisfaction with food and beverage and likelihood to return to the hospital. Overall, 69% of respondents agreed that their awareness of sustainable practices increased satisfaction.

Connecting the Links

Healthcare is entering a new phase where customer preferences and experiences will be key to sales and revenue. It is already evident that sustainable practices can help cut costs and drive revenue. Based on the research outlined in this paper, utilize the positioning of individual sustainable practices to drive topline growth through reputation and customer satisfaction.

References & Appendix

2. According to the World Health Organization (WHO), the United States spent more on health care per capita ($8,608), and more on health care as percentage of its GDP (17.2%), than any other nation in 2011.
5. Patient and Resident Preferences for Sustainable Dining in Healthcare - Quantitative Study, Sodexo, April 2014
6. Patient and Resident Preferences for Sustainable Dining in Healthcare - Quantitative Study, Sodexo, April 2014
7. Pawlak, J. Technomic Talks, Sustainability Consumers Expectations of the Food Industry, March 2014

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