

In a strategic move carried out over 10 years, Assuta management has merged the two brands of its hospital and clinics, creating the strongest brand in private medicine in Israel

The chain of hospitals and medical institutes, Assuta, is currently owned by Maccabi Health Care Services but the brand began in a cooperative of doctors from Germany, who arrived during the Fifth Aliya and in 1935 decided to establish a private hospital called "Assuta". The hospital was managed as a partnership of 30 founding doctors who invested about 40,000 lirat in the venture. When the hospital opened, it sparked a revolution in the medical system since it allowed patients, as far back as 75 years ago, to choose their own doctors. In 1979, Clal acquired the hospital and operated it for 15 years until it decided to sell it. At the beginning of the 1990s, Maccabi Health Care Services realized that if it wanted to become a significant player in the healthcare market, it had to establish its own hospital system. Instead of starting from scratch, Maccabi decided to purchase the Ramat Marpe Hospital and in 1995, it also acquired the Assuta Hospital.

## The Marketing Challenges

In the years following the acquisition, both Ramat Marpe and Assuta hospitals operated under two different brands. Consumer studies revealed that although the Assuta brand was far stronger than the Ramat Marpe brand and enjoyed greater aid awareness, its unaided awareness was extremely low and was not found at the Top of Mind among consumers considering in what hospital they wanted to undergo surgery.

As a result, company management came to two major understandings:

1. Demand to merge both brands under the Assuta name.
2. In order to be perceived by the public as a real, serious hospital, the merged brand must stop operating a large number of small, decentralized and outdated medical facilities, and begin managing a smaller number of medical centers that are larger, newer and more advanced.

On the way to achieving these challenges, the need arose to cope with the lack of public awareness of the fact that anyone who has supplementary

insurance or private health insurance can benefit from private medical services in Assuta. The lack of awareness has frequently caused patients to seek treatment with public health services despite having insurance that allowed them to receive the same services in Assuta.

## The Marketing Solutions

At the start of the years 2000, the process of converging and managing the Ramat Marpe and Assuta brands begins simultaneously to the acquisitions and expansion of existing facilities. This move allows the company to place all operations under broader operating licenses of hospitals and de facto establish a chain of hospitals. In order to maintain the Assuta brand status during the transition period and in order to avoid creating an excessively strong identity with Maccabi (in order to position Assuta as a private hospital chain and not as an HMO hospital), the decision was made that medical facilities operating in Maccabi facilities would be branded as Ramat Marpe while any new or renewed external facility would be branded Assuta. In a controlled process that was implemented over many years, Assuta became positioned as a chain of new, modern hospitals, while Ramat Marpe branches were slowly closed until the





[www.assuta.co.il](http://www.assuta.co.il)

brand was completely eliminated. By 2004, the Assuta hospital operated under the slogan "The largest private hospital in Israel" but the aforementioned message could not serve the hospital chain. As a result, as part of the merger and renewal process, the company launches the slogan "The private way to quality medicine".

The new slogan did not generate the success hoped for since the message was too complicated and ahead of its time, creating a situation in which the product truth that stood behind it was not sufficiently strong.

In the ensuing years (2005-2007), Assuta expanded its coverage in Israel by building new facilities that complied with the licenses it acquired or possessed, and thus new facilities were built in Haifa, Beer Sheba, a center of institutes in Tel-Aviv and a facility in Rishon le Zion was renovated. All were later branded as Assuta.

In 2009, the company's flagship facility was opened – Assuta Hospital in Ramat Hahayal in Tel-Aviv. This was no ordinary launch but one that included a powerful declaration of intentions since the company invested one billion shekels to build a large, state-of-the-art hospital in terms of medicine and technology. The hospital building includes ten floors, 16 operating rooms, 200 inpatient beds, 12 ICU beds, 2 monitoring laboratories, one of the largest imaging institutes in Israel and an oncology institute. The new hospital has significantly contributed to

positioning Assuta as a hospital in which patients can (and should) undergo any medical procedure, from the easiest and through to brain surgery and open heart surgery.

Assuta has also successfully leveraged the attack on it regarding the establishment of a new hospital from the managers of the public hospitals in the Tel-Aviv region, who complained that the opening of Assuta has caused a brain drain from their hospitals to Assuta, and that they suffered from lack of hospitalization space whereas in Assuta, every patient had a private room. The attacks have probably only reinforced Assuta's position as a hospital that provides state-of-the-art medical services by top doctors and at the highest standards – both in terms of medical care and in terms of service and hospitalization. With the launch of Assuta in Ramat Hahayal came the launch of a campaign managed under the positioning "Assuta. Standard of Health". The marketing-advertising concept was designed to describe the current situation in which all services that are essentially privileges in other hospitals (private rooms, selection of doctors, short lines, available cutting-edge technology) are provided at Assuta as standard. Television ads were filmed in the hospital itself in order to introduce the modernization and the technologies, and the messages that were broadcast in them emphasized two issues: the fact that Assuta performs both simple medical procedures and

## Things You Didn't Know About Assuta

- The hospital name was given by the poet Shaul Tchernichovsky. The name means "Health" in Aramaic.
- Assuta is the largest surgical hospital in Israel, performing over 90,000 surgeries annually, and operates the largest IVF clinic in the world.
- All persons insured by HMOs in Israel, who have supplementary insurance or private health insurance, may receive service in Assuta.
- In order to enable hospitalized patients to feel at home, the brand logo does not appear on the sheets, blankets or towels.

complicated surgeries, and that private medical service can be obtained by anyone with supplementary health insurance or private health insurance (i.e. anyone who has supplementary insurance is entitled to standard of health). The language of 'standard' has not remained only a marketing-advertising slogan. The value of 'standard' has now been assimilated in all medical and administrative operations in Assuta, in a desire to each time reestablish the standard of medicine being practiced in Israel.



**1935**

Assuta Hospital founded on Jabotinsky Street in Tel-Aviv.

**1979**

Assuta is acquired by Clal.

**1994**

Assuta is acquired by Maccabi Health Care Services.

**2005**

The brand expands its coverage across the country.

**2009**

Assuta Hospital opens in Ramat Hahayal.