



**The DTC Executive Brief**  
**June 2008**

**Presented to you by**



Mark Tosh  
Editor-in-Chief / VP Analytics  
DTC Perspectives, Inc.  
973-377-2106 x224  
Mark@dtcperspectives.com



Dear *DTC INSIGHTS* Reader,

In what may be a clear indication of stepped-up scrutiny of DTC marketing, as this issue of *DTC INSIGHTS* approached deadline, two key Congressmen – Rep. John Dingell (D-Mich.) and Rep. Bart Stupak (D-Mich.) reported that they have accepted an “invitation” from the industry trade group PhRMA to discuss current guidelines for DTC. The Congressmen accepted the offer to meet after the top executives from four companies responded to an earlier letter from the representatives asking for a commitment to adhere to six principles related to DTC marketing (see related story on page 4 of this issue).

Dingell and Stupak commended the four companies – Pfizer, Merck, Johnson & Johnson and Schering-Plough, all of which sent representatives to a May 8 hearing on DTC – for voluntarily accepting two of their requests – to follow AMA guidelines on use of physicians in ads and not to include off-label claims in DTC ads. “However, the remaining requests were not adopted,” the Congressmen noted in a statement. “PhRMA has invited the committee leaders and their staff to discuss these issues and other concerns as the trade association reviews and updates its Guiding Principles related to DTC advertising.”

The requests that the companies did not agree to accept are:

- to not use DTC ads until after a valid outcomes study of the product is completed and the results are public.
- to add the FDA’s Medwatch telephone number to all DTC broadcast ads.
- to institute a two-year moratorium on ads for newly approved drugs.

However, these and other issues will have to be resolved. Dingell noted in his response that this exchange “is the first part of an ongoing review of DTC advertisements.... Our investigation is not over, as more work clearly needs to be done on this issue.” *DTC INSIGHTS* will closely follow this issue as it moves along, as we have followed other key trends and developments that impact consumer marketing of Rx drugs. We’re always available to respond to subscribers’ requests.

Sincerely,

Mark Tosh  
Editor-in-Chief

**For subscription information, please visit our Web site at [www.dtcperspectives.com](http://www.dtcperspectives.com), under the *INSIGHTS* tab, or call Jennifer Haug at 973-377-2106, x-226.**

**DTC INSIGHTS STAFF**

Robert Ehrlich.....Chairman, CEO	Hellen Spanjer.....COO
Mark Tosh.....Editor-in-Chief	Christine Franklin.....Director of Marketing
Jennifer Haug.....Market Research Assoc	Lauren Griffith.....Sales, Advertising Mgr
Brooke Kobren.....Marketing Associate	Debra Sander.....Office Coordinator

**© DTC Perspectives, Inc. All Rights Reserved.**

*DTC Perspectives, Inc., 30 Columbia Turnpike, 2<sup>nd</sup> Floor, Florham Park, NJ 07932*  
Phone (973) 377-2106 Fax (973) 377-1106  
[www.dtcperspectives.com](http://www.dtcperspectives.com)

JUNE 2008

VOLUME 3, ISSUE 6

*The DTC Executive Brief*



**Inside this Issue**

Washington / Regulatory

- DeLauro, Emerson seek new DTC moratorium.....4
- Stupak, Dingell send questions to chief executives.....4
- CA bill allows pharmacies to sell patient Rx info.....5

Media

- Reported Q1 ad spending on pace with year-ago.....6
- Prevention study: Patients don't follow pharma news..6

DTC Dashboard

- Q1 data shows minimal spending decrease.....7
- Comparing health and non-health spending trends.....8
- Medical device spending shows growing market.....9
- Discrepancies between media time, dollars spent.....10

DTC National Conference Review

- Influencers drive patients more than traditional ads...11
- Adaption slow to increasingly effective digital media..12
- Solutions for making your advertising 'stick'.....12
- Identifying consumer intent key in SEM.....13
- Using online video opportunities to achieve results...13

DTC in the News

- Boston Globe op-ed calls for more honesty in DTC...14
- Doctor says marketing sits on shaky ground.....14

On the Move

- Key personnel moves.....15
- Media & Agency news.....15
- Updates on Rx brands.....15

*DTC INSIGHTS* is published monthly by DTC Perspectives Inc., Florham Park, N.J. The subscription rate is \$395 annually. All material copyrighted by DTC Perspectives Inc. Photocopying prohibited without permission.

**Final Two Presidential Candidates Could Be At Odds With DTC Ads**

The field of viable presidential candidates now has been narrowed to two – **Sen. John McCain** (R-Ariz.) and **Sen. Barack Obama** (D-Ill.) – as the Republicans and Democrats gear up for their respective conventions later this summer. While neither of the candidates is as outspoken a critic of direct-to-consumer advertising as former Sen. John Edwards, who dropped out of the race this spring, there is no indication that either Sen. McCain or Sen. Obama looks favorably on DTC.

Indeed, the opposite may be true as both candidates have indicated at least some support for DTC restrictions over the past year. Sen. Obama voted for restrictions on DTC last year as a member of the Senate's **HELP Committee** (the restrictions were not part of the final Senate bill that brought in new drug-safety measures and adopted a user-fee system for broadcast DTC ads) and his Web site states that Obama is in favor of placing restrictions on children's food advertising if self-regulation by food manufacturers doesn't work.

- "He is clearly on the public record as favoring restrictions on this form of commercial speech," said **Jim Davidson**, a **Washington**-based attorney and head of **The Advertising Coalition**.

**Sen. McCain** is known for the **McCain-Feingold Act**, which many in Washington believe put unconstitutional restrictions on various forms of political speech, Davidson said. McCain also for several years has sought major restrictions on tobacco advertising. Earlier, McCain was an advocate of regulating tobacco advertising "even though that advertising is more than likely protected under the **First Amendment**," Davidson noted.

As the race heats up, there may be a  
*(Continued on next page)*

clearer picture of the candidates' stand on healthcare in general and on DTC issues in particular.

## DTC INSIGHT

*\* This could be one of the most important presidential votes in decades for DTC ads, according to long-time Washington observers such as Davidson. However, there seems to be a solid base of support in the Senate and House for permitting DTC under the First Amendment, and whichever way the election turns out, DTC marketing should continue to be permissible, albeit possibly with some new requirements for broadcast ads.*

---

## WASHINGTON / REGULATORY

### Congresswomen DeLauro, Emerson Seek New Restrictions on DTC Ads

**Rep. Rosa DeLauro** (D-Conn.), who played a role in derailing the user-fee program for broadcast DTC ads, has teamed with **Rep. Jo Ann Emerson** (D-Mo.) to introduce legislation calling for a three-year moratorium on ads for newly approved drugs and instituting a requirement that ads "prominently display" potential side effect details. DeLauro holds a key post in the **House**, chairwoman of the Agriculture, Rural Development, Food and Drug Administration Appropriations Subcommittee, and has been an active critic of DTC advertising for several years.

The proposal – the **Responsibility in Drug and Device Advertising Act of 2008** – represents "the careful approach we need, especially when we have seen how hasty approvals and lax oversight have harmed patients," Emerson said in a statement. In addition, the bill would:

- Establish a three-year moratorium on DTC ads with a possible waiver if the Secretary of **HHS** agrees the product is of value to public health.
- Provide authority to require corrective materials to be distributed if companies violate the advertising moratorium.
- Mandate civil penalties that apply to the first and

subsequent violations of the ad provisions or other requirements of the Act.

- Require advertising to prominently display information about the potential drug and device side effects.
- Call for a public education campaign on the risks of certain drugs.

"The rush to promote new drugs and devices often occurs before there is any opportunity to examine potential public health and safety risks," DeLauro said. "This [bill] is about ensuring that physicians and patients have scientific evidence – collected from a larger population, rather than the small clinical trials – about the drugs and devices on the market... Public relations should never trump public health," she added.

## DTC INSIGHT

*\* DeLauro has made noise about a three-year moratorium for the past two years. She does not carry the same clout that Democrats Rep. John Dingell and Rep. Bart Stupak have in the House, but it's important to keep an eye on DeLauro — and have a plan in mind for countering her moves.*

---

### Stupak, Dingell Send Questions To Pfizer, J&J and Merck CEOs

Not satisfied with the comments made at the **May 8 hearing** on DTC, **Reps. John Dingell** and **Bart Stupak** (both Democrats of Michigan) sent letters to chief executives of **Pfizer, Johnson & Johnson, Merck and Schering-Plough** to get clarification on where the companies stand on DTC policies.

The two powerful Congressmen and members of the **House's Energy and Commerce Committee** said they want to see improved accuracy and stronger guidelines for DTC ads, as well as seeking a top-level commitment to "business practices that would reduce misleading and deceptive DTC advertisements." The two congressmen said the responses made by marketing executives representing three of the companies (Pfizer, Merck and J&J) at the May 8 hearing were inadequate.

- “Marketing department leaders have failed to commit to reducing misleading and deceptive ads, so we’re now asking the CEOs to make this agreement,” the congressmen said in a statement. “Patient health should always trump corporate profits and we hope these executives will agree and commit to improved business practices and more effective marketing guidelines.”

The May 8 hearing focused on broadcast ads for **Lipitor** (with **Dr. Robert Jarvik** as a spokesman for the Pfizer drug), Merck/Schering-Plough’s **Vytorin** (the “food and family” ads) and J&J’s **Procrit** advertising. Reps from these companies said they were committed to the **PhRMA** guidelines on DTC as company policy. Dingell and Stupak, however, also noted that the existing PhRMA guidelines “may not prevent some of the misleading and deceptive marketing practices discussed during the hearing.”

**DTC INSIGHT**

*\* Stupak has shown that he can be unrelenting in his pursuit of pharma companies over what he sees as deceptive marketing practices. His comment – “Pharmaceutical companies should consider it a privilege to air DTC ads” – is fair warning that he intends to continue tightening the screws on marketers, and no questionable practices will be tolerated.*

**California Senate Bill Will Allow Pharmacies to Sell Patient Rx Info**

In a surprising move that was opposed by doctors and consumer groups, the **California State Senate** earlier this month approved a bill that permits drugstores to sell information on patient prescriptions to third-party marketing groups.

The bill would permit a drugstore to send mail to patients, provided that the correspondence is limited to discussing only a prescribed course of medical treatment. No other pharmaceutical products can be mentioned in the mailing. The drugstore operator also is required to disclose whether it received remuneration for sending the letter from any marketing firm or pharma company. In addition, patients must have the opportunity to opt out of the mailing program. The bill originally failed and was reintroduced with the patient opt-out amendment.

In a letter to senators ahead of the vote, the **California Medical Association** noted its objections, stating that “the concept in this bill would interfere with the physician-patient relationship and could jeopardize patient safety... Essentially, this bill allows pharmaceutical marketing entities to practice medicine through the mail.” The **Consumer Federation of California** also said opposed the measure.

**DTC INSIGHT**

*\* While mailings to patients could lead to improved*

**DFC**



**Direct For Consumer.** What’s changed? Everything. People want health information and support whenever they need it, wherever they are. We are experts in connecting our clients’ knowledge, advice, and experience to people’s problems, conditions, and questions. We are Digitas Health. How can we help you? Please contact Larry Mickelberg at [newbusiness@digitashealth.com](mailto:newbusiness@digitashealth.com)

**DIGITAS HEALTH**

digitashealth.com 215.545.4444

compliance rates, there's also a possible Pandora's Box of privacy issues that this measure could open up. The danger is that the proposal, which still needs assembly approval, could backfire on marketers.

## MEDIA

### 'Reported' Ad Spending in Q1 On Pace with Year-Ago Total

There was a sigh of relief in some quarters as the "reported" spending for DTC advertising dropped very slightly in the first quarter of 2008 (declining less than \$1 million on a base of roughly \$1.3 billion), according to **Nielsen Monitor-Plus** data. Even with no ad-spending growth in the quarter, however, the results marked a turnaround for DTC marketing from last year's fourth quarter, when reported spending declined 15.2%.

The spending in Q1 2008 as reported by Nielsen Monitor-Plus was \$1.2927 billion, compared with \$1.2935 billion in the year-ago quarter. (See a more detailed breakdown on the **Dashboard**, page 7.)

Another positive sign: total DTC marketing spend stayed on track even as the sleep-remedy category slowed for the first time in several quarters. The sleep treatments **Lunesta** (Sepracor), **Ambien CR** (Sanofi-Aventis) and **Rozerem** (Takeda) trimmed DTC spending in the Q1 period by 42%, 33% and 74%, respectively. The aggregate total spending cuts for the three leading advertisers was more than \$80 million, according to Monitor-Plus data.

A few brands "new" to DTC helped offset the reductions by sleep remedies. These included the "new" brands that did not advertise in Q1 2007 (and which had reported spending of more than \$20 million in Q1 of 2008): **Veramyst** (GlaxoSmithKline), **Celebrex** (Pfizer), **Mirapex** (Boehringer Ingelheim), **Chantix** (Pfizer) and **Symbicort** (AstraZeneca).

The two top media channels struggled in the Q1 period, with DTC advertising on **network TV** falling 3.3% (excluding pharma corporate advertising) and print DTC in **consumer magazines** down 2.5%.

## DTC INSIGHT

\* Given the current economic climate, the Q1 reported spending data should be viewed as a positive. The big decline in DTC advertising in last year's Q4 is beginning to look more like an anomaly rather than the start of a downturn. Also, medical device is already a \$1.7 billion category and growing. (See dashboard page 9 for details.)

### Prevention Survey Finds Consumers Do Not Follow News About Pharma

While many of the findings of **Prevention** magazine's 11<sup>th</sup> annual national survey of consumers on their views of DTC advertising were in line with past year's results, a few of this year's findings stood out. For one, more than one-half of respondents (56%) said they do not follow news stories about pharmaceutical companies. Perhaps more importantly, consumers stated that any negative attitudes they have toward pharmaceutical companies makes no difference in their "actions toward DTC ads," according to **Prevention**, which conducted the study in partnership with its **Rodale** sibling publications **Men's Health** and **Women's Health**.

"Whether they are favorable or not [toward the industry], the same amount of consumers talked with a doctor about a specific medicine they saw advertised," according to the study.

Another key finding: 75% of respondents said doctor's in ads do not make an advertised drug seem more effective, and 72% said it doesn't make the drug seem safer. This finding contrasts with the large number of Rx brand advertisers who have added doctors in white coats to broadcast creative over the past few years, in part as an effort to appear more responsible and forthcoming. The study also found an increasing number of consumers are going online to find out more information after seeing a DTC ad (53% in 2008 compared with 41% in 2007).

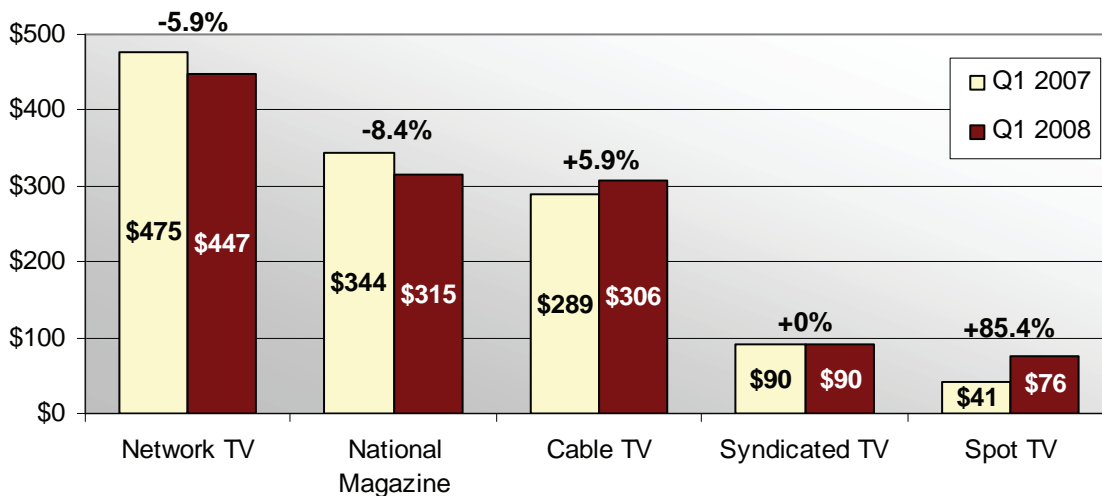
**MORE INFORMATION:** Further analysis and reaction to the Prevention study will be published in upcoming issues of **DTC INSIGHTS**.

The DTC Dashboard is a series of charts providing a snapshot of DTC marketing. This issue details first quarter spending for media and brands, as well as medical device spending trends. Also highlighted are a few of the key presentations, and their implications, from the 2008 DTC National Conference in Washington, D.C.

### First Quarter Ad Spending Data Shows Miniscule Decrease

	2004	2005	2006	Q1-3 2007	Q4 2007	Full Year 2007	Q1 2008	2008*
<b>Total in \$ billions</b>	\$4.47	\$4.81	\$5.55	\$3.90	\$1.47	\$5.38	\$1.29	\$5.38-\$5.54
<b>% Change VYA</b>	28.4%	7.4%	15.4%	2.4%	-15.2%	-3.1%	-0.1%	0%—3%

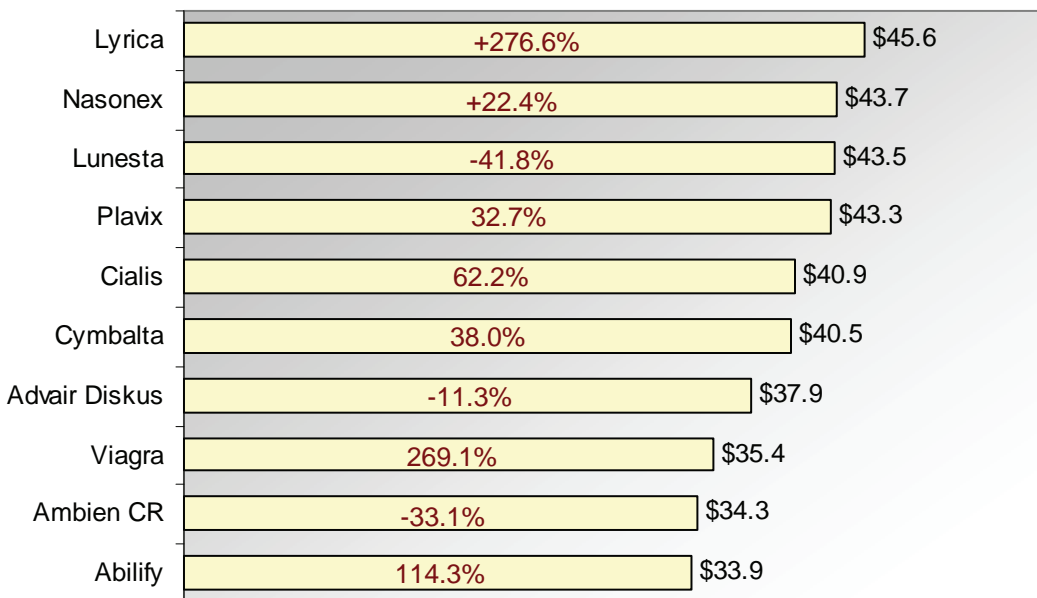
\*Based on projections by DTC Perspectives



Even though total spending was down a minimal tenth of a percent in the first quarter of 2008, the result was a positive sign following the drop in Q4 of 2007. Spot TV nearly doubled its ad share compared to one year ago.

Source: Nielsen Monitor-Plus  
All \$ expressed in millions

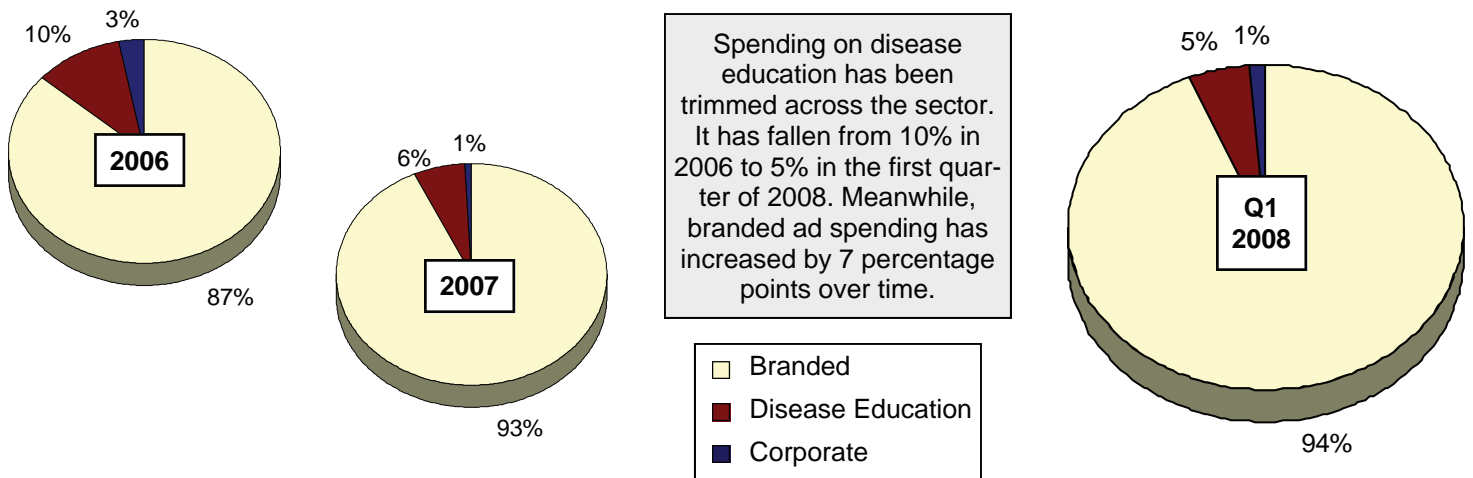
### Lyrica Takes No. 1 Spot Among Top Spending Brands in Q1 2008



First quarter data shows some big shake-ups among leading brand spenders. Lyrica, Viagra and Abilify enter the top 10, while Lipitor, Rozerem and Vytarin drop off of the list. Consistent with year-end data trends, Lunesta and Ambien CR have continued trimming their budgets, and Nasonex and Lyrica are increasing their budgets yet again in Q1 2008.

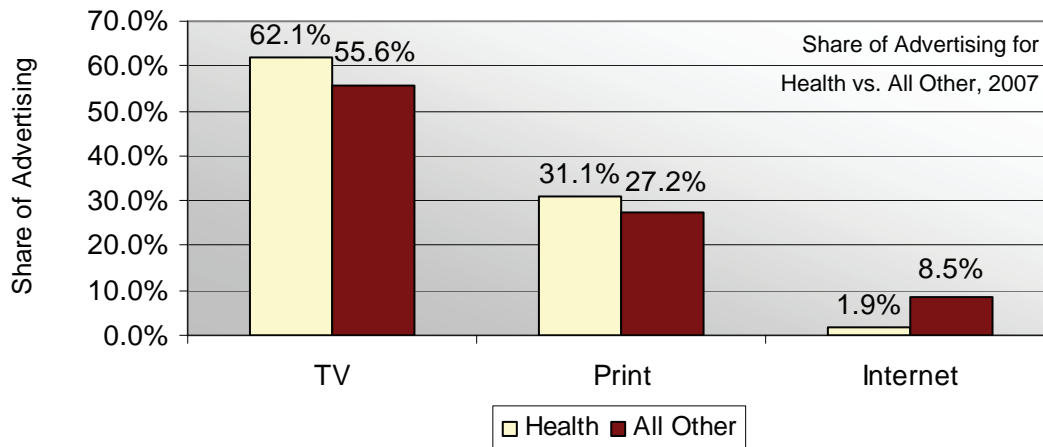
Source: Nielsen Monitor-Plus, Q1 2008  
All \$ expressed in millions

### Disease Education Spending in Q1 2008 Slips Significantly vs. 2006



Source: Nielsen Monitor-Plus

### Different Media Shows Discrepancies Between Health vs. All Other Advertising

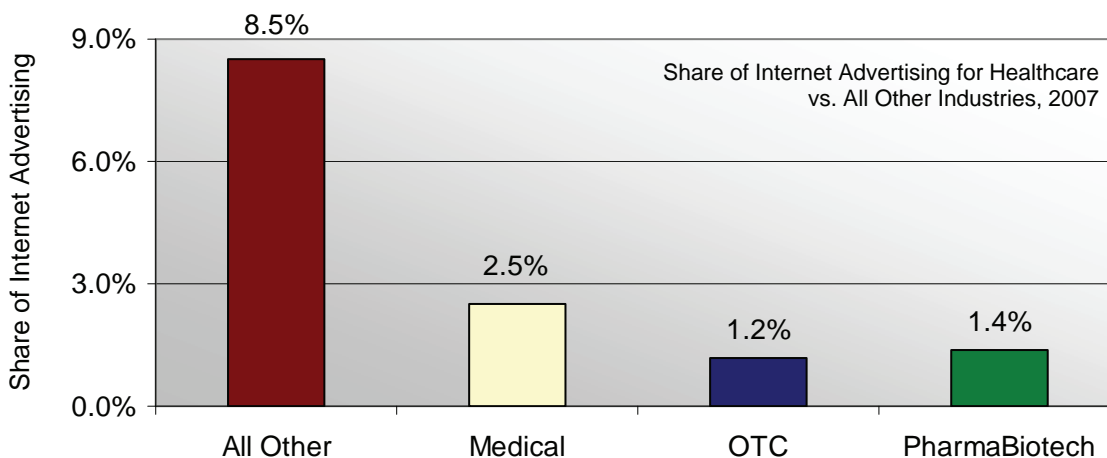


Since TV and print are where pharma tend to focus their budgets, it is no surprise that health's market share is higher in these categories than other industries' market shares. As pharma is one of the slowest industries to adapt to using the Internet, it is also expected that the others' online market shares are considerably larger than health's.

Source: NielsenHealth, Monitor-Plus, 2007

Note: Health includes all health-related categories, such as OTC, Rx, medical device, pharmabiotech, etc.

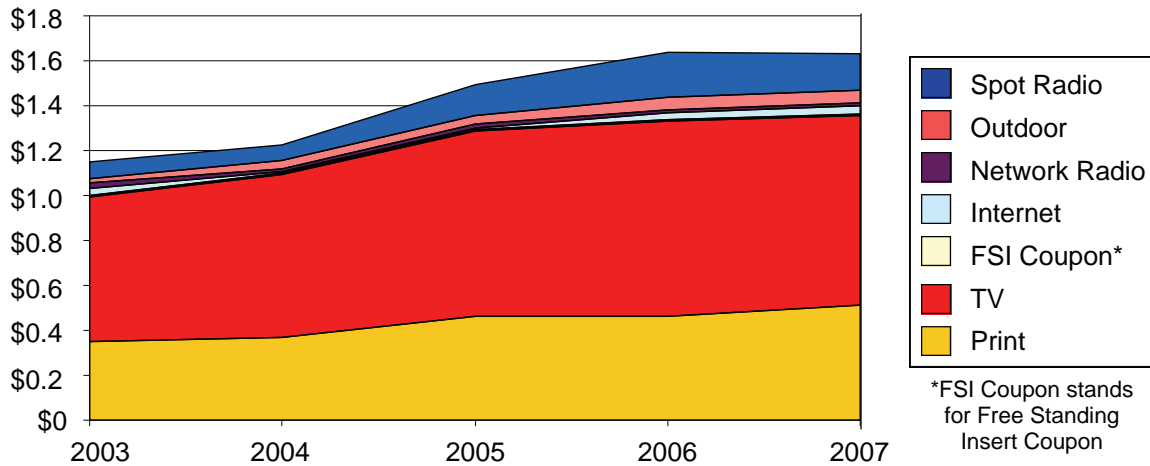
### Health Internet Advertising Greatly Outnumbered by All Other Industries



Internet advertising by all other industries is roughly 5 times greater than health internet advertising. Pharma companies are still hesitant when entering this medium due to concerns over adverse event reportings and other related issues.

Source: NielsenHealth, Monitor-Plus, 2007

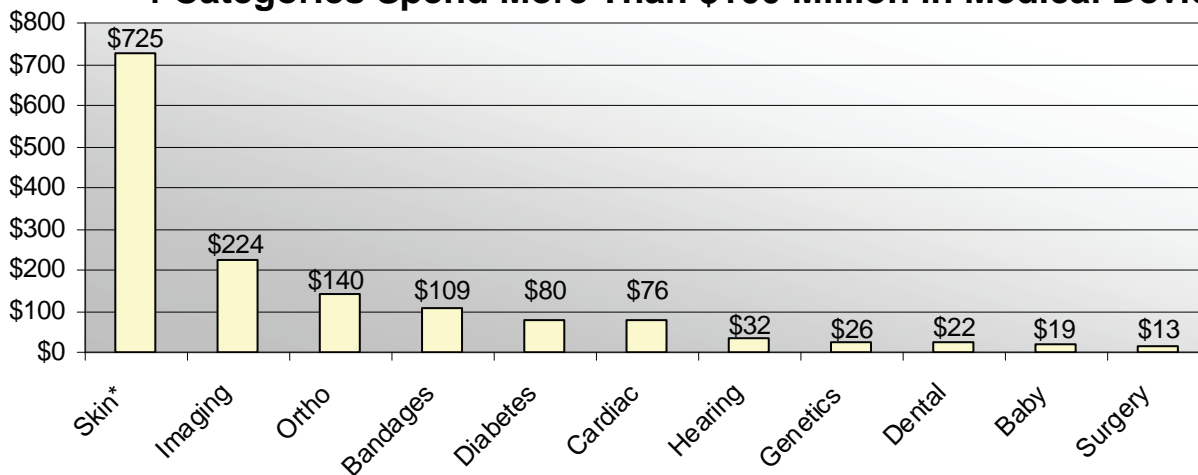
### Medical Device Advertising is a \$1.7 Billion Category and Growing



TV and print capture the largest share of media dollars, much like DTC advertising for RX drugs. While 56.2% of the ad spending in the category was allocated to TV in 2003, budgets have been shifted and TV's share dropped to 51.6% in 2007.

Source: NielsenHealth, Monitor-Plus, 2007  
All \$ expressed in billions; Excludes 'skin' category

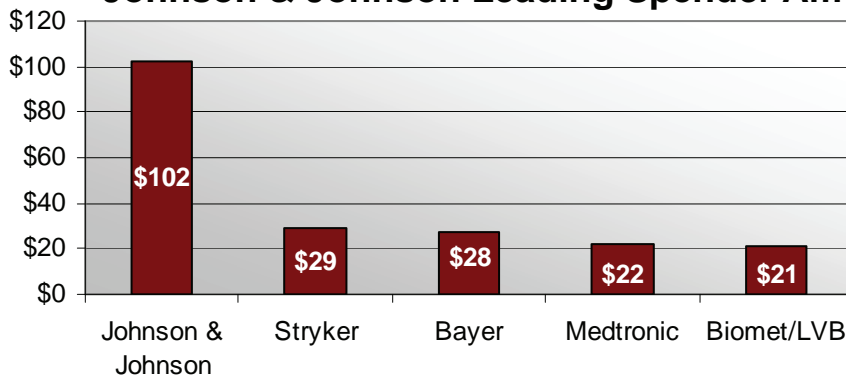
### 4 Categories Spend More Than \$100 Million in Medical Device in 2007



Skin, imaging, ortho, and bandages are the top 4 advertising spenders in the medical devices category. Successful campaigns for products such as Philips' Computed Tomography (CT) System and Zimmer's Gender Solutions Knee helped the imaging and ortho categories come in at the second and third positions, respectively.

Source: NielsenHealth, Monitor-Plus, 2007  
All \$ expressed in millions

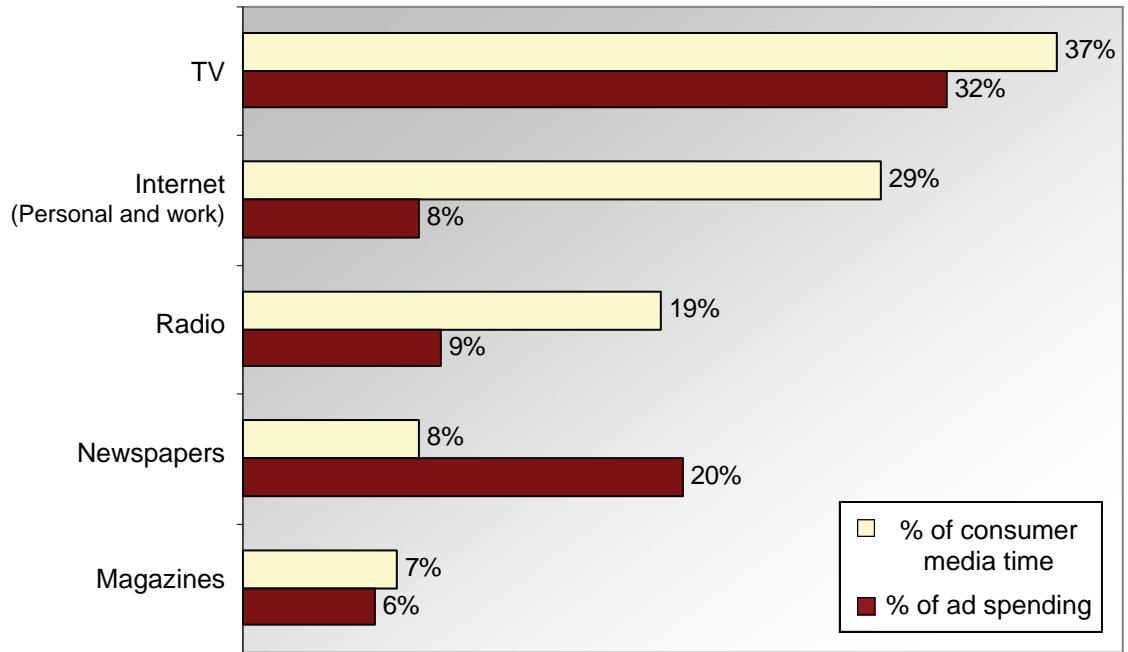
### Johnson & Johnson Leading Spender Among Medical Device Companies



Company	Category	\$ Spent in 2007
<b>Johnson &amp; Johnson</b>	<b>TOTAL</b>	<b>\$102,270,000</b>
Johnson & Johnson	Ortho	\$62,721,000
Johnson & Johnson	Diabetes	\$27,435,000
Johnson & Johnson	Cardiac	\$12,114,000
<b>Stryker</b>	<b>Ortho</b>	<b>\$29,260,000</b>
<b>Bayer</b>	<b>Diabetes</b>	<b>\$27,779,000</b>
<b>Medtronic</b>	<b>Cardiac</b>	<b>\$22,432,000</b>
<b>Biomet/LVB</b>	<b>Ortho</b>	<b>\$21,310,000</b>

Source: NielsenHealth, Monitor-Plus, 2007  
All \$ expressed in millions

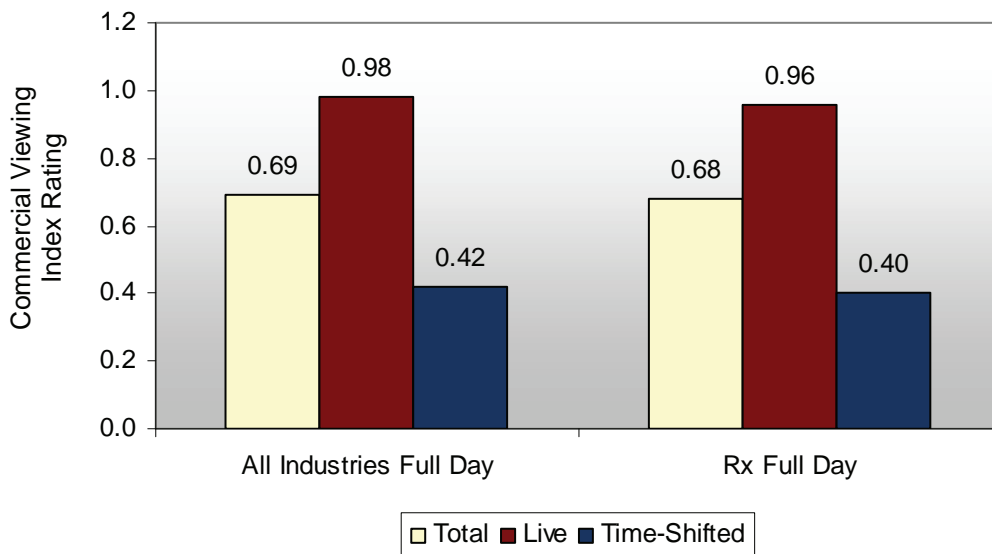
## Major Discrepancies Between Consumer Media Time and Ad Spending



The chart above demonstrates the incongruities between media consumption and what marketers are investing in. The Internet, showing the most significant difference, is a rapidly growing medium among consumers.

Source: Forrester Research, Teleconference: The US Interactive Marketing Forecast 2007-2012, January 4, 2008; from Heartbeat Digital, DTC National Conference Presentation, April 2008  
 Note: Consumer media time does not include time spent using a cell phone, watching DVDs or playing video games

## DTC Ads Slightly Underperform Relative to Other Industries



The commercial viewing index rating (CVI) is calculated by dividing the average rating for a commercial by the average rating for a television program. Hundreds of thousands of commercials are viewed and rated (total, viewed live and time-shifted) to determine the average CVI in each time-period.

Source: TiVo Stop||Watch syndicated service between April-June 2007; from IRI, DTC National Conference Presentation, April 2008

## DTCN CONFERENCE REVIEW

### With ‘Influencers’ Driving Patients, Traditional Advertising Loses Impact

With the number of “influencers” who impact patient beliefs and behaviors continuing to increase, marketers should be aware that DTC is entering a new development phase. “There are more influencers on consumers and patients than ever before and, increasingly, the channels in which we can control the message and deliver the message have less value to consumers [and] they are not working the way they used to,” **Nancy Phelan, Wyeth’s** executive director of consumer communications and e-marketing, told marketers at the **2008 DTC National Conference**.

The ad campaigns crafted with such incredible precision – and passed through numerous rounds of internal review – are just not as influential as they used to be, she added. Indeed, research from **Zenith Optimedia** earlier this year showed recommendations from friends and family have the greatest influence on brand choice. On average, they are 22% more influential than television, Phelan said.

In addition to the typical influencers on patients – healthcare professionals, pharmacists, pharma companies and media – a new batch of evolving entities have begun to influence patients, including Web sites such as **Yahoo! Answers** and even healthcare in-

surance plans like **Express Scripts**. At the same time, marketers are evolving in their understanding of consumers, particularly as data sources become more integrated. By layering consumer insights with medical and office-claims data, trade and pharmacy data and payer data, there is an opportunity to better understand and target consumers more holistically. “I believe that we can understand consumers with much greater precision, through listening and ethnographic opportunities,” Phelan said. “[But] we do need to do a better job of delivering value and relevance.”

“We really have to have exquisite consumer insight and that has to translate into a high-quality, highly relevant and high-value experience,” she added. In the new world of DTC, the brand might not figure as prominently as it did in the past. Marketers might find that there are numerous segments that need to be reached.

#### DTC INSIGHT

*\* Phelan said she believes the industry is at a “real inflection point.” The opportunity to identify and act on consumer insight has never been greater.” Yet, controlled messages that are released through controlled media do not work the way they used to. At the same time, consumer influence on healthcare decisions continue to expand.*

## Seeking Quality Connections?

**We know precisely when and where to find them.**

In pharmacy, in doctors’ offices, in homes: MediZine connects DTC brands with millions of the most responsive consumers when health decisions are made.

**Let us prove it—call to learn how.**

Suzanne Polizzi, EVP Sales & Marketing | 212.695.5582, [suzanne@medizine.com](mailto:suzanne@medizine.com)



**MEDIZINE** DO WHAT WORKS: ENGAGE EDUCATE INFLUENCE

## Digital Media Gets More Effective, Yet Marketers Slowly Adapt to It

“Consumers are starting to shift their patterns, and we have to keep up with them,” **Bill Drummy**, chief executive of **Heartbeat Digital**, said during a presentation at the **DTC National Conference** in **Washington, D.C.**

Drummy cited a **Forrester/NAA** survey that said 62% of advertisers say ad effectiveness is decreasing, 87% are spending more on the Internet in 2008 and 72% are dissatisfied with TV ratings. “The amount of time people spend watching commercials is going down. So why is it that we are continuing to put so much of the budget in a medium that has to be getting less effective?” asked Drummy. The Web has become a more effective way of reaching consumers, but yet pharma is the “slowest industry to adapt to these new trends.”

- “We are in an environment now where there is much more competition and the audience is moving somewhere else,” Drummy said. “We are also in a recession – making it harder to get the kind of results you want... It is going to be especially important that you not waste money on things that are really not driving efficiency.”

At this point, ROI seems to mean return on insecurity to Drummy because “people want to keep doing what they’ve always done.” They are denying the ROI for three reasons – media fragmentation, a muddled marketing mix model (M4) and trade secrets. Media fragmentation makes it very difficult to figure out a plan; it is a much more complex environment today.

- “[The M4 is] a vicious circle that’s undermined the growth of digital-media budgets at many ... highly analytical marketers. They need proof that digital campaigns move sales, as measured by marketing mix models. Trouble is, most digital campaigns are too small to have a measurable impact on marketing-mix models – and the only way the budgets can get bigger at some companies is with validation from the models,” said Drummy, quoting **Rex Briggs**, chief executive of **Marketing Evolution**.

Trade secrets also make advancement difficult because “you can’t talk to each other about what’s really working, so you just go back to models that you know are safe,” Drummy said.

### DTC INSIGHT

*\* Digital is a constantly evolving medium, so keeping up with it may be hard, but not doing so might hurt bottom lines more. Drummy recommended re-allocating current budgets to increase spend on digital media and decrease on areas that are becoming less effective. “Being tied to what has been done in the past [is just] wasting money and wasting opportunities,” he said.*

## Stuart’s Solutions for Making Sure Advertising ‘Sticks’ with Consumers

Citing his finding that more than 37% of ad spending in the U.S. is wasted, author **Greg Stuart** challenged marketers at the **DTC National Conference** to work harder at understanding “the value of each dollar” invested in any ad campaign. He also noted that a combination of factors – led by consumers being less receptive and the media marketplace splintering – means that marketing today is difficult and sorting out the endless amount of possible combinations can become an overwhelming challenge.

Stuart, a co-author of the best-selling “**What Sticks: Why Most Advertising Fails and How to Make Sure Yours Succeeds**,” offered three steps for marketers to “provide a pathway” to a solution:

1. Have a universal agreement to goals among all of the teams involved
2. Have a back-up plan in case the original campaign fails
3. Know and understand the value of each dollar invested

All ad campaigns also need to have what Stuart called the three M’s – motivations, messaging and media. He stressed the importance of the universal agreement of goals among all teams to help create

an understanding of why consumers buy their brand and to reinforce their motivation. Marketers should also test their messaging so that they know they are on the right track; not testing so could be more expensive in the long run. Stuart said that “media timing also influences success.” Knowing what time of the day to focus impressions can have a significant impact on the campaign’s success.

**DTC INSIGHT**

*\* Stuart added to his list of requirements a fourth M – maximization. If you don’t know how you are performing, you cannot maximize and optimize, he noted. He recommended the following budget breakdown: 70% of the budget for what you know works, 20% targeted at innovating off of what you know works and the final 10% to new ideas.*

---

**Identifying Consumer Intent Seen As a Key in Search Engine Marketing**

“Search is a critical marketing element both from a research perspective as well as a marketing tactic,” **Bill Hunt**, chief executive of **Global Strategies International**, said in a presentation at the **DTC National**. Citing data from a 2007 **eMarketer** report, Hunt pointed out the “direct correlation” between seeing a TV ad for an Rx drug followed by submitting a query on the Web: 89% of consumers went online to research a disease or a condition and 60% searched for the advertised drug itself.

- “The value of search engine marketing is the ability to put messages in front of people who overtly and explicitly express a desire, via keywords, for a particular product, service or information,” Hunt said. “We have the opportunity to present information to consumers at the very point that they are looking for things.”

By using a consumer intent model – or once the consumer’s “intent” is determined and it’s known whether they want to learn about a product/condition, if they are considering it or if they are going to buy it – then the appropriate content can be matched to

their intent to take advantage or maximize leverage. Hunt discussed various ways to maximize opportunities. He suggested using a “search engine marketing road map” to help layout a marketing plan for the Internet. The plan should also include “prioritizing and categorizing search keywords to segment them for optimal targeting.” Hunt also recommended integrating offline efforts with online activities due to the great impact offline marketing has.

**DTC INSIGHT**

*\* Messages should be tailored to the consumer, such as offering solutions, not a particular brand, as Hunt noted. Marketers also should focus on attracting quality visitors – reaching their specific target – not just the quantity of consumers. Marketers should “integrate the consumer insight from search into the whole marketing strategy because search requires cooperation and coordination from the entire enterprise,” he added.*

---

**Using Online Video Opportunities To Achieve Results for Your Brand**

**Sean Moloney**, co-founder and executive producer at **Dramatic Health**, told conference attendees that the online video medium is under-utilized by marketers and that today’s patients want to create their own online stories. Marketers need to create visual and highly interactive experiences for these consumers. He strongly recommended that marketers “augment their current channels” to better capture consumers’ attention. “We are completely capable of achieving an episode view of 3 to 4 minutes,” he said. These videos will need to be managed regularly – across various sites and throughout critical stages of the story, he added.

- “In the end, it is all about content,” Moloney said. “I argue – and I am responsible for a lot of it – that the content we have developed thus far is lackluster and could be a whole lot better. We spend millions of dollars getting to our consumers, only to give them a brochure of words and pictures – something we carefully stepped

around because we were trying to combine branded messages with accomplishing something for our strategic brand plan and we didn't even give them education," he said.

Moloney said this new video medium allows companies to provide information to consumers in thoughtful ways via real life stories. By creating the video as a "very powerful educational material," it will help marketers to build brands.

The healthcare industry has the funds, and now must "realign priorities," he said. This means marketers should augment the current media mix, not re-

place it. All elements of the marketing mix should point consumers from one medium to another.

**DTC INSIGHT**

*\* As Moloney noted, marketers have "a lot to learn when it comes to understanding people's emotions [and how they] are connected to our brands." Online video allows marketers to display that missing sensitivity to consumers, and can connect the brand with consumers on a deeper level. One key is to partner with the medical, regulatory and legal teams at the beginning to ease any fears and eliminate potential problems coming up down the road.*

## DTC in the News

### A summary of recent press coverage of DTC issues and how they are being interpreted

<u>Date / Publication</u>	<u>Article Theme</u>	<u>Quotable Comment</u>
June 2, 2008  <i>The Boston Globe</i>  Op-ed submission by Alison Bass, a reporter for The Globe  'A dose of honesty in prescription drug ads'	<b>Bass</b> , the author of "Side Effects: A Prosecutor, a Whistleblower, and a Bestselling Antidepressant on Trial," takes on DTC advertising for <b>Procrit</b> , which was also a focus of a <b>May 8 Congressional subcommittee hearing</b> on DTC. Bass notes that shortly after her father began taking Procrit last year he suffered a mild heart attack, yet he continued taking the medication on his doctor's advice. "Print and television ads and labeling information for patients implied that Procrit could reduce fatigue and weakness in people with anemia," she noted, even though Procrit was approved "only for [its] ability to reduce the need for blood transfusions."	"At the congressional hearing in May, [representatives] <b>Stupak</b> and <b>Dingell</b> pointed to the misleading Procrit ads as evidence of the need for more stringent oversight of drug advertising," Bass writes. "But their message was repeatedly undercut by four <b>Republican</b> legislators, all of whom, it's worth noting," received thousands of dollars in campaign contributions from pharma. "While the Procrit TV ads were ostensibly targeted at cancer patients who develop severe anemia as the consequence of chemotherapy, the commercials seemed designed for a much broader audience," she adds.
June 5, 2008  <i>Chattanooga Times Free Press</i>  Chattanooga, Tenn.  Commentary, by Dr. Clif Cleaveland	In a thoughtful piece addressing drug safety and "marketing excesses" on the part of pharma, <b>Dr. Clif Cleaveland</b> lays out a case for delaying an expected <b>2009 Supreme Court consideration of pre-emption</b> – the doctrine that protects drug companies from state-level lawsuits related to drug safety. Building the argument, he notes the "steady erosion" of <b>FDA's</b> authority to regulate promotional practices even as "competition has intensified among drug makers." DTC advertising "never mentions costs or alternative therapy and glosses over side effects," he adds.	"Intense marketing becomes necessary if the new [me-too] agents are to succeed in the marketplace," writes <b>Cleaveland</b> , who advocates for an independent system of clinical trials and drug research before the court considers pre-emption. "Marketing practices have increasingly moved into ethically shaky territory."

## ON THE MOVE

### MicroMass Names Former Viagra Exec A Director & Other Key Personnel Shifts

**David Brinkley**, a former **Pfizer** marketer who played a key role in the launch of **Viagra**, has been named a director at the relationship marketing agency **MicroMass Communications**. Brinkley is now a senior vice president for commercial development at **Theravance**, where his roles include business development, new-product planning and marketing. MicroMass also named **Michael Bego**, a former **McKinsey & Co.** consultant, to its board as an investor representative..... Another former Pfizer marketer, **Michael Rowe**, was named senior vice president of global marketing at **Gene Express**. Rowe, who worked on **Lipitor** earlier in his career, most recently was senior director of U.S. therapeutics marketing at **Bayer**.

**Concentric Pharma Advertising**, an independent healthcare agency, named **Brooke Levenson** as account supervisor, with responsibility for managing accounts in women's health, dermatology, respiratory and medical devices. Levenson joins from **Grey Healthcare Group**..... **GSW Worldwide** named former **GlaxoSmithKline** product manager **Garrett Hess** as account director. Hess also worked as a sales rep for **Forest Pharmaceuticals**. **Amy Hirschberg** has been named vice president, creative director at **GSW Worldwide**. Hirschberg previously was vice president and group creative director, copy, at **Carbon**, a division of **CommonHealth**. **GSW** also named **Ellen Perless** as associate creative director. Perless worked at **Euro RSCG Life Becker** as a senior vice president, senior creative director.

- **Media & Agency News**

**Meredith** in early June acquired **Big Communications**, a healthcare marketing firm. The move provides Meredith with "another entry point to the health category," an area the company has targeted for "strategic expansion," according to a statement. Terms of the deal were not disclosed. **Big Communications** develops custom healthcare communications for more than 20 pharma, biotech and managed care

companies..... Ad agency holding company **Omnicom Group** has launched a new healthcare unit, **Star Healthcare**, and named Maryann Kuzel as president. It launches with two charter clients, **Roche Diagnostics** and **Spear Pharmaceuticals**.

**Healthline Networks** has launched the **Healthline Media Network**, a "semantically targeted" ad network that reportedly will reach 10 million unique users each month. Initial sites within the advertising network are **Healthline.com**, **Health.com** from **Time Inc.**, and health-related sites from **AARP** and **U.S. News**, according to a report. **MyOptumHealth**, consumer health portal from **United Health**, will be added upon its launch later this year. Unlike other ad networks, the semantic targeted platform allows the new service to match health ads with content based on concepts as opposed to keywords.

**Flashpoint Medica**, a full-service agency and a unit of **Omnicom**, launched **Flashlight Interactive**, a digital agency. Clients include **Genentech**, **Pfizer** and **Indevus Pharmaceuticals**. **Kristen Goelz** will lead the new agency as vice president, director of interactive services. Goelz was a key member of the interactive division at **Accel Healthcare Communications**..... **Roska Healthcare Advertising** has named its recently merged **Mueller & Wister** unit to be **Roska Digital**. **Roska Digital** will be led by executive vice president **Kurt Mueller** and will provide a variety of e-communications to its healthcare clients.

- **Updates on Rx Brands**

**Allergan** is expected to seek FDA approval in the third quarter for a drug containing **bimatoprost**, an ingredient said to grow and thicken eye-lashes..... Since news reports about the possibility of adverse reactions to smoking-cessation treatment **Chantix** surfaced earlier this year, weekly new prescriptions for the **Pfizer** drug have declined from roughly 150,000 per week in January to just over 85,000 in recent weeks, according to **The Wall Street Journal**. **Pfizer** initiated a PR effort to counter the reports last month that included full-page ads in major daily newspapers and a PR outreach effort to journalists. No other ads are planned at this time, a spokesman told **DTC INSIGHTS**.

# Build trust with both physicians and patients at the point of care

Three out of four primary care physicians today call “*quality patient education materials*” a high priority for their practice.\*

The Pri-Med Patient Education Center is a consumer health information service created by Harvard Medical School, distributed in collaboration with the Medical Group Management Association.

Enhance the awareness of your brand by working with partners more physicians and patients trust.



HARVARD  
MEDICAL SCHOOL

**PRI-MED**  
KNOWLEDGE THAT TOUCHES PATIENTS

\* Source: Research Results, *Physician Survey on Patient Education*, N=184



Please call Dennis Turner at 908.204.0010 x16 or email [dennist@patientedu.org](mailto:dennist@patientedu.org)