

DTC On Demand



The New Era of Qualified Reach for Consumer Rx Advertising

DTC advertising is a powerful force in helping consumers better understand diseases and treatments, but the scrutiny surrounding consumer promotion continues to increase. New communication options to reach the scale of mass media, however, can help reach qualified viewers and make ad spending more efficient.

BY RAJ AMIN

For years, DTC advertisers have used powerful media channels to find their audience. Some might say that in fact pharma advertisers filled the giant hole in the media industry when the dot-coms imploded, becoming a significant force in raising awareness for drugs and associated health issues with consumers. Indeed, an article in the January 2010 issue of the *American Journal of Public Health* cites several surveys of the public noting that a large majority of respondents agree that ads improve their understanding of diseases and treatments and a significant number use ad information in their decision-making process.

Much of the scrutiny around today's drug advertising environment however is targeted at the amount of money spent on the blunt tools of mass media DTC advertising. You can look at almost any newspaper and see that there is a concerted effort to limit the spending in this category by lawmakers.

But is it really the amount of advertising dollars spent that irks consumers and lawmakers, or is it the implied waste that they see when they watch a drug advertisement that is clearly not meant for them? The irony is that this industry is responsible for a much greater proportion of consumer education in many cases than the government itself. Private Web sites and media companies educate consumers and it is because the pharma industry is spending money on drug awareness and wants to reach the right people. The good news is that new vehicles now exist that use the scale of mass media, but only engage highly qualified viewers. There are many benefits for the consumer and the efficiency of advertising spending if we move in this direction.

Creating 'personalized television'

Let's take video-on-demand for example, which is by definition personalized television. Let's assume Jack is a 54-year-old male and he sees a promotion on the digital guide for

a program about heart disease. Jack decides to choose this program after seeing the message that “One in four men die from heart disease and you should know the signs.” He has purchased movies on demand in the past, so he knows how this works and presses “play” on his remote because the football game doesn’t start for another 20 minutes. Jack saw the same promotion a month before, but his brother recently had a heart attack and his cholesterol screening just came back off the charts. As Jack watches the heart disease program, he gets to a commercial break, which has an advertisement for a heart relevant product from a pharmaceutical company, and then continues to watch the program. He feels more educated and confident in speaking with his doctor, and is likely to take more action to deal with his heart health.

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There are key advantages in this scenario vs. the scenario of seeing that same ad during the football game itself. First, we find this viewer before he is engaged in another program at a state where he is more attentive to the client message. Second, this viewer has taken control and is in a motivated state relative to a topic of high affinity to the advertiser, due to a recent personal experience. If the content is helpful to his understanding of the condition, he has higher favorability toward the related advertiser and a higher intent to take actions that benefit the brand also. Third, there is no feeling of implied waste.

The viewer knows that the advertisement was relevant to the content, and while there may be an assumption that there is more cost in funding the targeted promotion of content on this topic, it is a valuable teaching moment that has been enabled so the value exchange is positive. That same family may have been exposed as Jack’s wife searches on the Web for healthy recipes and watches the same program that is served on the Web with this advertisement. While the path to consume the content is slightly different, the platform is online vs. television, she also receives the same information and brand experience as Jack.

How can this change perceptions? In using these approaches, advertisers can eliminate waste and ideally be seen in a more positive view by the community as a whole. After watching a recent video-on-demand program for HealthiNation, a blogger covered her experience as follows:

“... you can imagine my surprise when I saw ‘What is Rheumatoid Arthritis?’ pop up at the bottom of the [TV] screen. I thought for sure that it would simply prove to be a pharma ad (and indeed, a [brand] ad was wedged in there), but I was pretty darned shocked to

discover that the nearly 10-minute video ... described pretty accurately exactly what RA is, how it’s diagnosed, and how it’s treated.”

What we see here is the role of independent content being provided to a highly educated consumer, with the recognition of advertising in this context. But there is no waste and the impression has significantly greater value based on the ability to target those who have been qualified for the content.

Digital media vs. traditional TV

Traditional media channels have been able to successfully incorporate traits of digital technology to allow for qualification and still get to people in their living rooms. At the close of 2009, 35 million homes in the United States had DVRs to watch TV on their own schedule and over 47 million had video-on-demand capabilities. Content is also moving to PCs, and PCs are connecting back to TVs in more ways.

The Internet was created as a new vehicle for information exchange, but other media channels are now absorbing those characteristics because that’s what consumers want and the technologies are now widely available. According to comScore, 84.4 percent of all U.S. Internet users now watch online video regularly, and it’s much of the same content that is seen on TV. This trend has impacted companies like Nielsen to come up with new ratings structures to capture this impact such as three-day ratings. But there is opportunity here for advertisers, and it is significant.

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There are several advantages in qualified reach environments that can be applied in similar scale to traditional mass media and create new opportunities for DTC advertisers:

Highly specific content affinity – The big downside of mass media for information is that it’s never truly “personal.” But by adding digital capabilities we get to a marketing platform that is both mass oriented and personal. We reach out to the same large pool of viewers, but ask them to “opt-in” to watch content that can pre-qualify the audience for your advertisement. The implied waste of the pharma campaign goes away, because you are associating with targeted content so that interest can be assumed. Promotional advances are now allowing efficient promotion so that we can increase the exposure of highly specific content to very large audiences, creating an exciting opportunity for advertisers to link very closely to topics of greatest interest to their brand and still hit scale numbers that can significantly impact the business.

Higher impact placements – By getting to a more qualified audience, the threshold of advertising attrition can be reduced. You can deliver higher impact, more informative placements. In video, this means that your target audience will consume three minutes or more of your branded content, and they will do it without being “forced.” Efficiency of the media buy improves, we see brand recall and favorability metrics increase significantly, and this more educated patient is much more likely to ask for a script. In a recent control/test survey conducted by HealthiNation, brand favorability increased by 30 percent over control and intent to ask for a script for the advertised brand doubled.

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Accurate and true measurement – Digital means you get what you pay for. If you are purchasing media placements to 100,000 viewers who are interested in heart disease, you get exactly that. Each view is counted and reported, rather than the estimation of those viewers through a panel of viewers. Of course you will likely pay more for each qualified individual than in an untargeted model, but you never advertise to anyone who is not within your target audience.

Mass media vehicles are still valuable tools in a media plan and can raise awareness to very large audiences with aggressive spending levels of the past. The downside is that the waste is significant and impact is limited because of the lower levels of alignment to the content. In a marketplace where budgets are under pressure, advertisers are facing scrutiny from lawmakers and better efficiency is needed, consider the scale of digital video formats such as video-on-demand and online video. These new channels use the scale of mass media to find your audience, but can offer higher content affinity, greater impact, and measurability. This approach can demonstrate a greater level of responsibility in cases where advertising should be more qualified, and your audience will thank you for it. **DTC**

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