

SEPTEMBER 2010
www.PM360online.com

PMI 360

THE FULL SPECTRUM OF PRODUCT MANAGEMENT

JOIN US IN
CONGRATULATING
OUR 2010
TRAILBLAZER
FINALISTS!
(PAGE 37)

WHO'S ON YOUR BRAND TEAM?

The Pharmacist's Role in Healthcare & Improved Patient Outcomes

CME GROWTH
More MDs,
More Participation

DTP MARKETING
Initiate Productive
Physician-Patient
Dialogue

TRENDSETTERS
Deborah Schnell
of Healthy Advice
Networks
on Taking
Advantage of
the Moment



Dave Nussbaum,
Vice President, Media
Innovations, SDI

TURN ON AND TUNE IN TO A BETTER WAY OF REACHING PATIENTS

BY DAVE NUSSBAUM, VICE PRESIDENT, MEDIA INNOVATIONS, SDI,
AND FARIBA ZAMANIYAN, SENIOR VICE PRESIDENT, PHARMACEUTICAL
SALES, TRA



Fariba Zamaniyan,
Senior Vice President,
Pharmaceutical Sales,
TRA

DURING EACH OF THE LAST THREE YEARS, PHARMACEUTICAL COMPANIES HAVE SPENT approximately \$3 billion to reach consumers through television advertising. With such a large investment, it's no wonder that pharmaceutical brand managers and media-placement agencies are facing increased pressure to create effective media plans that get their message to the highest number of potential patients for their product.

Historically, the information used to determine ad placement has been limited to basic viewer demographics (for instance, gender, age), TV program ratings, and self-reported consumer information. When pharmaceutical brand teams and media buyers base their ad placement on such limited information, they're taking a leap of faith on several levels that may be costing them millions of dollars.

DEMOGRAPHICS, RATINGS, PRICING FALL SHORT

To determine the program environment that will be most supportive of ad performance, media teams use demographics and self-reported information as proxies for identifying potential patient types that match their targets as defined by the brand teams. Once programs are identified as fitting the target demographic, ratings and the associated costs of ad placement in those shows are considered. A show with high ratings (watched by many consumers), a viewing population that matches the patients' profiles, and costs that are within budget would be the most attractive.

However, brand managers and media buyers recognize that there are gaps with this method. First, demographics alone do not truly identify the potential patients who would be interested in a specific disease category. There will be viewers who fit the demographic profile and who view

the ad but do not suffer from the condition of interest—which points to the inherent waste in this approach. Second, using self-reported information is generally less reliable because it is based on recall and limited sample sizes. This introduces bias into the results.

While profiling a program in this manner has helped advertisers improve their buy, we now know that even greater efficiencies can be gained by refining targets to an audience within a desired therapeutic area.

Also, today there are opportunities to more effectively judge the comparative costs of programs. Ad pricing traditionally is based on the cost per thousand (CPM) viewers. Shows with higher ratings typically charge more because an advertisement will typically be seen by more consumers. But CPM pricing assumes that each viewer holds the same value to the advertiser when, in fact, some viewers may not truly be prospective consumers.

FINDING THE RIGHT AUDIENCE

All of these assumptions—that TV show demographics are an indicator of healthcare conditions, that advertising on the highest-rated shows is the best way to reach consumers of interest, and that all viewers are valued in the same way—are being challenged by newer, more precise methods that ultimately lift the return of the advertising dollars spent.

TOP SHOWS BY CATEGORY

Market	Top Shows for Reaching Patients Q4 2009		
Asthma	America's Most Wanted (FOX)	Modern Family (ABC)	48 Hours (CBS)
Cholesterol	Dancing with the Stars (ABC)	NCIS (CBS)	NCIS: Los Angeles (CBS)
Diabetes	NCIS (CBS)	Three Rivers (CBS)	Cold Case (CBS)
Depression	48 Hours (CBS)	Criminal Minds (CBS)	Dateline (NBC)

Source: SDI/TRA

TOP SHOWS FOR CHOLESTEROL

Top Programs to Reach Cholesterol Patients Q4 2009	Rank: Ad Volume for Cholesterol Advertising 2009
1. Dancing with the Stars (ABC)	9th
2. NCIS (CBS)	4th
3. NCIS: Los Angeles (CBS)	15th

Source: SDI/TRA

Today it's possible to link patients' healthcare behavior (anonymously) with their television tuning, which in turn leads to more informed ad placement and increased efficiency in media investment. Combining two historically unrelated data sets, de-identified patient-level pharmacy and prescription activity with television tuning behavior collected through set-top boxes, brings unprecedented opportunities:

- Identifying which network and cable programs are the most efficient in reaching consumers in a specific healthcare market, based on empirical data
- Creating a new "effective CPM" to evaluate the reach to actual patients
- Evaluating true ROI by comparing the real prescription behavior of patients exposed to a commercial with non-viewers, making television advertising a truly accountable medium

RATINGS BASED ON HOUSEHOLD HEALTHCARE BEHAVIOR

Advancements in digital technology and the availability of second-by-second tuning data are allowing marketers to examine television viewing behavior with much more precision than ever before. It is now possible to pinpoint which television networks and programs people are tuning in to most often, and the corresponding dayparts (times of day). Combine that with longitudinal patient-level data, which uses HIPAA-compliant methods for tracking patients anonymously over time, and it becomes possible to identify and rank programming by what percentage of viewing households are in healthcare markets of interest.

The cholesterol market provides a good example. By linking second-by-second television tuning information and prescription activity, we know that during the fourth quarter of 2009, the shows that provided the best opportunity for reaching patients in the cholesterol market were *Dancing with the Stars*, *NCIS*, and *NCIS: Los Angeles*. However, these were not the shows that were most popular for cholesterol brand advertising in 2009. *Dancing with the Stars* ranked 9th in terms of actual frequency of advertising, while *NCIS* and *NCIS: Los Angeles* ranked 4th and 13th, respectively.

Taking this further, an ad-placement strategy based on

demographic information, such as age and ethnicity alone, would reach cholesterol and diabetes patients with a similar schedule. However, the top shows for reaching patients in the diabetes market differ rather significantly from those that reach cholesterol patients. In the fourth quarter of 2009, the shows that reached the most potential diabetes patients were *NCIS*, *Three Rivers*, and *Cold Case*.

A NEW "EFFECTIVE CPM"

In addition to identifying the shows that are being watched most by a target audience, unique indexes are available that allow advertisers to compare the cost of advertising within different shows by the number of target patients reached. This helps to determine the best fit for a campaign and offers new ways of thinking about pricing. It is now possible to determine the cost per actual patient, not merely the cost per viewer. This also gives brand teams and media buyers more information with which to value media properties.

MEASURING TRUE ROI

While television has long been considered an effective medium for reaching their audience, healthcare marketers have never had access to the information needed to understand which elements were most efficient. However, with patient de-identification methods and newer capabilities in capturing household tuning activity, it is now possible to measure TV advertising's effectiveness and true return on investment. Comparisons of the actual prescription behavior of patients exposed to a campaign with non-viewers can be evaluated to determine if the investment positively affected the number of new patients on a brand or extended the length of therapy for existing patients.

Combining empirical de-identified patient-level pharmacy and prescription activity with digitally collected television viewing behavior provides unprecedented methods for more efficient ad placement and purchasing commercial inventory. It expands the intelligence and negotiating power of pharmaceutical manufacturers, making traditional methods obsolete. These advancements enable brand teams to improve the reach and efficiency of their campaign with better ad placements, and track the impact of the schedule purchased on real patients in their market. ○

