



Connecting Digital Activity to ROI

08.27.15

Takeda

CROSSIX

AGENDA

1. Where the Industry is Headed
2. Trends in Audience-based Media
3. Smarter Measurement

WHERE THE INDUSTRY IS HEADED

GET WITH THE PROGRAM(MATIC)

Crossix is intimately involved in the growth of programmatic.

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Get with the Program(matic)

Posted: February 18, 2015 in DTC in Focus, DTC News



How predictive targeting is transforming the online media buying landscape for healthcare marketers
By Angela Tenuta and Shannon Gallagher

The experience of encountering advertising tailored to one's behaviors or interests on the internet has become ubiquitous in a very short time. We've all had that experience – shopping for a particular shoe on Zappos or gadget on Amazon, not buying it, then having an ad for that shoe or that gadget magically appear in a whole variety of other websites during the course of our browsing over a period of days or even weeks. Or, perhaps, *buying* that shoe or gadget, and then encountering ads for similar shoes or gadgets, or shoe/gadget accessories.

It isn't magic, of course – it's programmatic buying, bringing together technology and data to serve media to specific audiences by using exact or inferred behaviors. The reason it has become so prevalent so quickly is because it *works*. Programmatic buying offers consumer marketers of all stripes the opportunity to narrow their audience focus, increase the efficiency of their campaigns, and optimize their campaigns; rather than scattering the seeds of a campaign the old fashioned way, those seeds can be planted only in what has proven to be the most receptive earth, thereby optimizing the campaign, saving marketing dollars, and increasing the potential return of the dollars that do get spent.

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WHERE THE INDUSTRY IS HEADED

“It's no longer a question of *if*, [media buyers] say, but *when*. As [programmatic] media-allocation tools surface at **healthcare agencies**, and premium publishers offer up **more coveted inventory**, they could **upend the traditional way of doing business.**” (MM&M)



DECEMBER 01, 2014

IN FOCUS

Programmatic buying stands to disrupt healthcare marketing

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When Omnicom Group CEO John Wren spoke to analysts during the company's third-quarter earnings conference call, he said that programmatic buying comprised just 2% of the holding company's current business. "It's still small today," he conceded. Despite being a small part of the picture, about 23% of the agency's 6.5% organic growth for the quarter came from that programmatic line. When pressed further during the Q&A, Wren said he expects its contribution to grow to double digits in 2015.



A ViziKI presentation explains the brave new world of programmatic buying to clients.

While programmatic buying hasn't yet taken over as the dominant way to buy advertising, the conversation has changed, say media buyers interviewed for this story. It's no longer a question of *if*, these people say, but *when*. As these media-allocation tools surface at healthcare agencies, and premium publishers offer up more coveted inventory, they could upend the traditional way of doing business.

Programmatic buying refers to any online advertising that is booked, aggregated or optimized via software. It may sound simple enough, but there are caveats pharma advertisers should keep in mind when using these tools.



Is Programmatic Buying the Future of Pharma Digital Advertising?

Analytics by Andrew Matthius on November 18th, 2013

If you are involved in digital advertising, you've probably heard about programmatic buying over the past couple of years. Your ears perked at the notion of automating your digital ad spend. Why? You could skip worrying about negotiating ad prices with a publisher and waiting on an insertion order before you ever get your ad out there.

Instead, you can execute media buys through digital platforms such as ad exchanges (OpenX, AppNexus, DoubleClick, etc.), ad networks or trading desks where you bid on available ad spaces from multiple publishers on demand. Perhaps you marveled at the concept of using algorithms to help determine the best path for the greatest ROI, based on an endless supply of data available about potential customers. With the ability to purchase ads in real time and the opportunity to show *one* ad, to *one* specific customer, in *one* specific context that fit your needs, you no longer need to generally blanket the ad to anyone who *might* be interested. This sure does sound like the future. But then again, you work in pharma marketing—nothing is that easy.

Therefore, it's imperative that your measurement approach is aligned with these trends.

THE SIMPLE FORMULA FOR SUCCESS

Reaching relevant health audiences
+
driving the desired behaviors along the
patient journey
= Incremental Rx sales and ROI

It is important to design a measurement approach that enables
you to solve this formula

TRENDS IN AUDIENCE-BASED MEDIA

PHARMA IS CONSTRAINED BY PRIVACY CONCERNS



Predictive Data is being used across the board

PHARMA IS CONSTRAINED BY PRIVACY CONCERNS



WHAT PHARMA CAN DO

Predictive of likelihood to treat
Rx condition or brand

Family
Size

Income

Geo

Ethnicity

Gender

Age

Hobbies/
Activities

Purchase
Behavior

Media
Usage

Tech
Usage

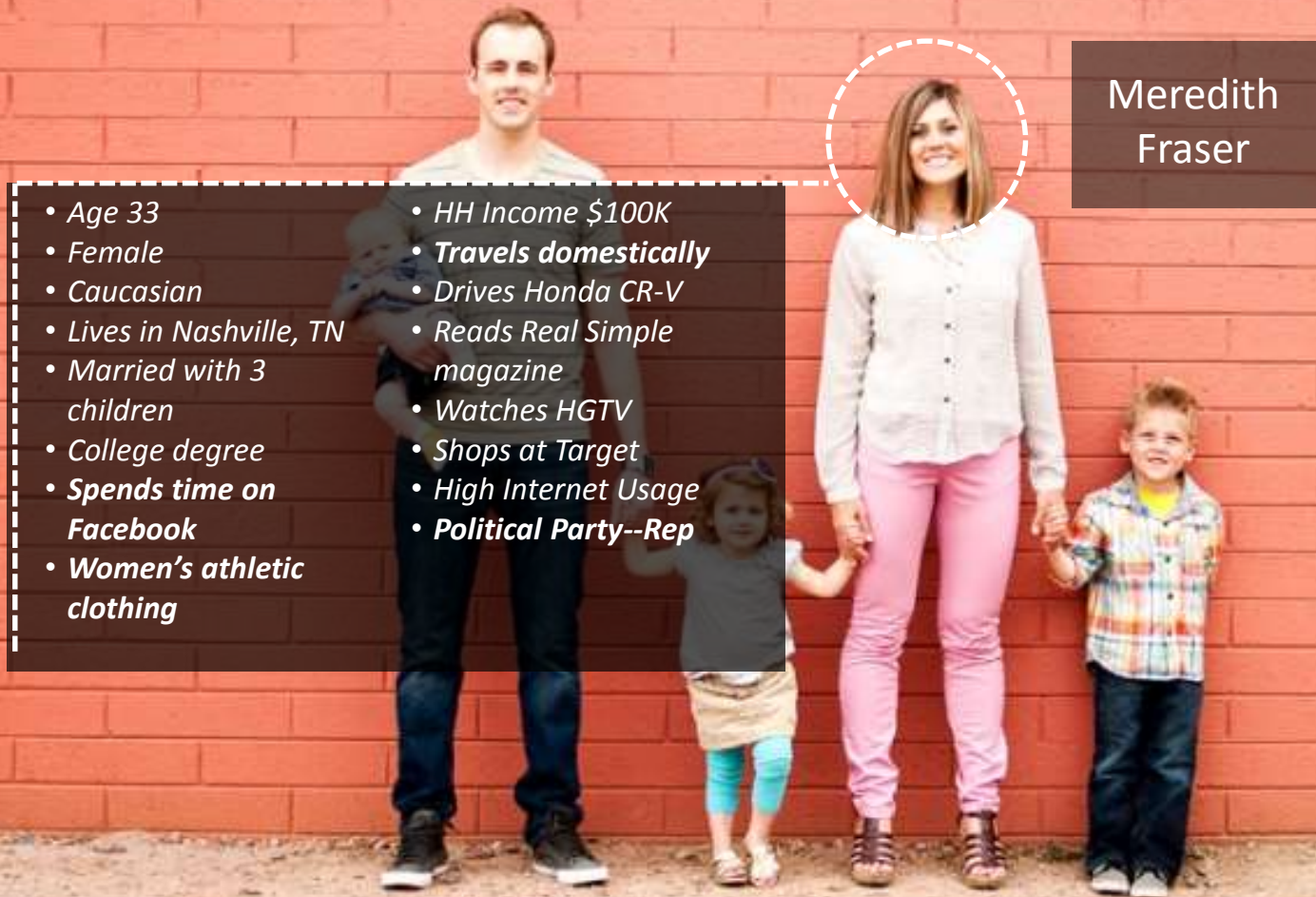
Profession

+100s more

**PRIVACY
SAFE**

PHARMA IS CONSTRAINED BY PRIVACY CONCERNS

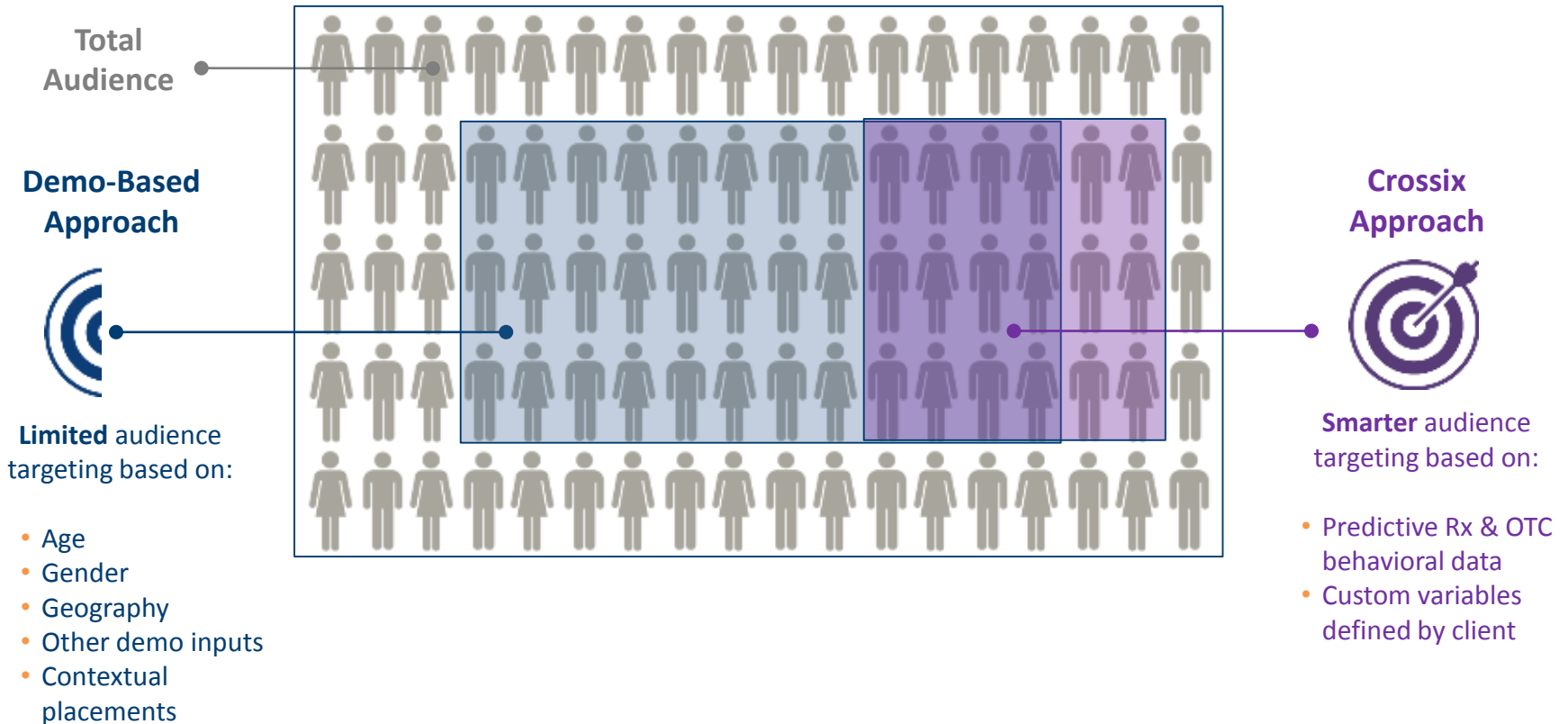
Predictive models first determine the specific combination of consumer variables that has the highest correlation with household treatment of ADHD



PHARMA IS CONSTRAINED BY PRIVACY CONCERNS



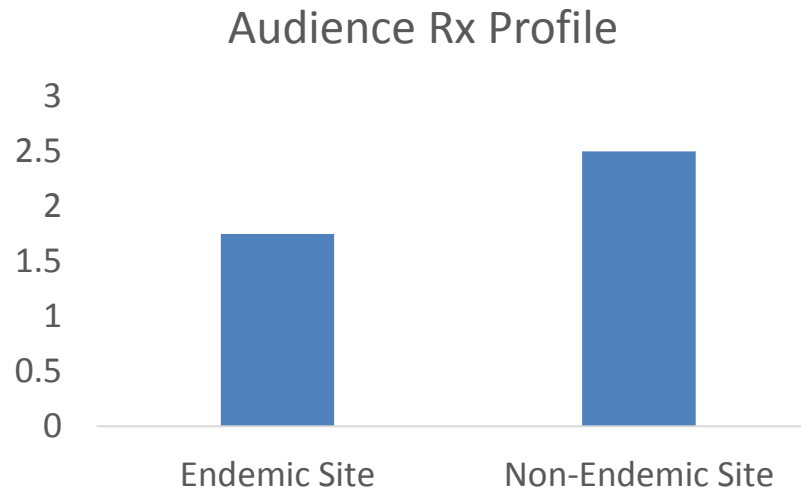
Increase efficiency and reduce media “waste” by serving targeted media to more qualified audiences



IMPROVEMENT IN TARGETING



A top 10 pharma brand used predictive targeting on a non-endemic site. That targeted site proved to be more targeted than endemic sites.



Site	Cost per UV (1000) Treating in Category Index Over Median
Endemic Site	1.2
Non-Endemic Site	.08

SMARTER MEASUREMENT

MOST INDUSTRIES LINK DIGITAL AD EXPOSURE TO SALES

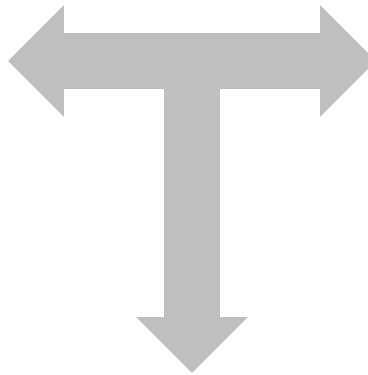
1 Tag media to capture data for consumers exposed to ad



2 Capture relevant product sales data



3 Match data sets



4 Calculate sales lift & ROI



PHARMA HAS BEEN CONSTRAINED IN DOING THE SAME

1

Tag media to capture data for consumers exposed to ad



3

Match data sets

**TRADITIONALLY
NOT POSSIBLE
DUE TO HIPAA
PRIVACY
RESTRICTIONS**



4

Calculate sales

**THEREFORE,
ALSO NOT
POSSIBLE**



2

Capture relevant product sales data



3

Engagement data used as proxy metrics for campaign success

- Clicks
- Site Visits
- Page Views
- Downloads
- Registrations

PROXY METRICS FALL SHORT

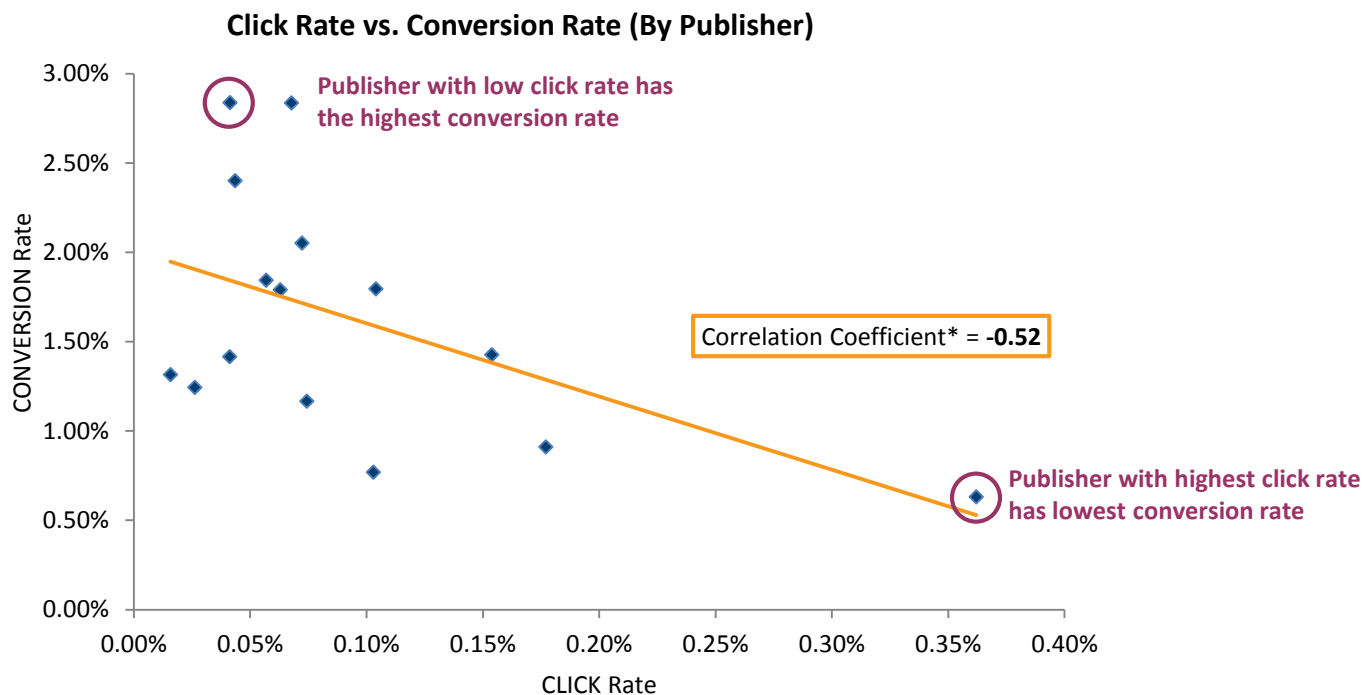


- Proxy metrics typically pertain to a **very small minority (less than 1%)** of the overall audience exposed to a digital campaign.
- Nevertheless, they're still leveraged to make **generalized assumptions** about which partners/publishers are most effective
- If driving sales & ROI are the key campaign objectives, proxy metrics are **disconnected from understanding** if your campaign has actually achieved its intended goals

HIGH CTRS DO NOT ALWAYS EQUAL SALES



For a recent arthritis brand campaign, campaign analysis revealed that **high click rates from partners do not translate to high Rx sales**



*Correlation coefficients typically range from 0 (not correlated) to 1 (strongly correlated)

WHICH METRICS DO WORK?

Success Metric



Incremental new patient starts (Rx sales)
resulting from exposure to the campaign



Qualified audience reach
based on the relevant treatment behavior

Leading Indicators



Incremental doctor visitation
resulting from exposure to the campaign

THE BENEFITS OF USING THE RIGHT METRICS

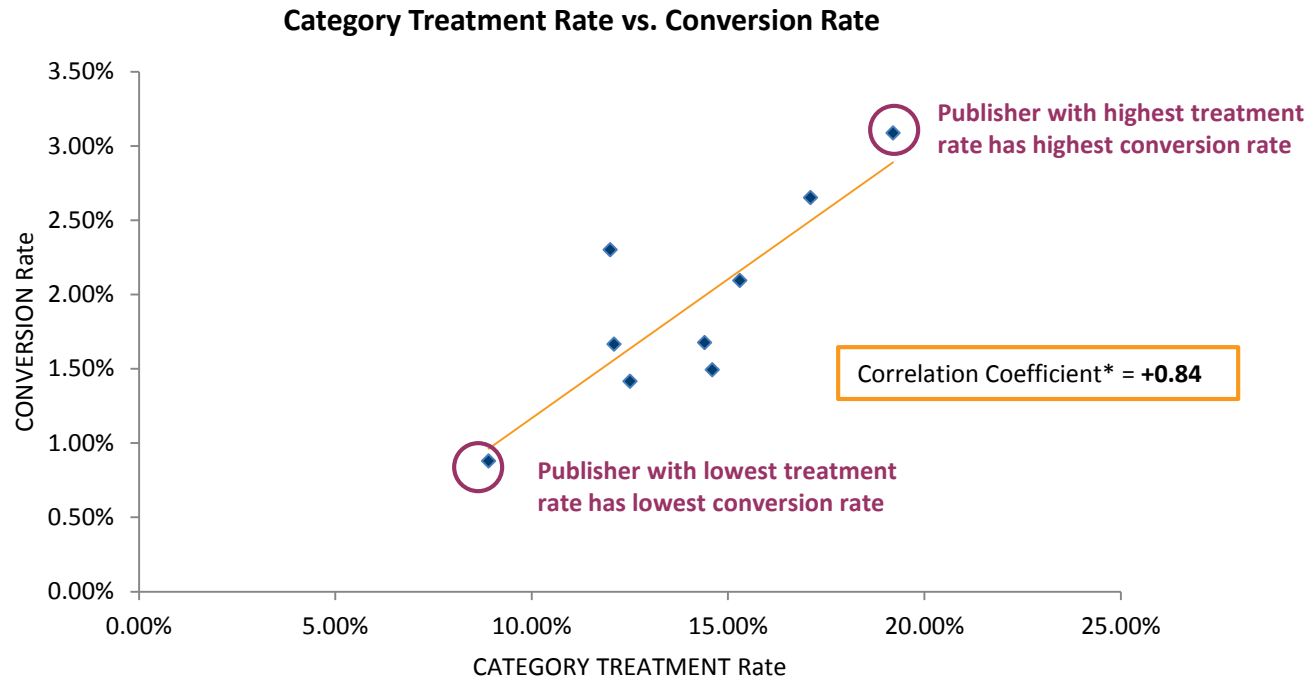
- 1. Better align success metrics** with campaign objectives – optimize and negotiate based on proven leading indicators for ROI
- 2. Stay current with the industry**, as these metrics become the standard approach
- 3. Prevent fraud from partners** who simply target high engagers that may not necessarily be your target
- 4. Prove the value of digital** as a component of your client's multi-channel marketing mix and make the case for increased digital media spend



AUDIENCE QUALITY METRICS PREDICTIVE OF IMPACT



For a recent campaign for a leading asthma brand, analysis revealed that treatment rate **is strongly correlated** with conversion to category

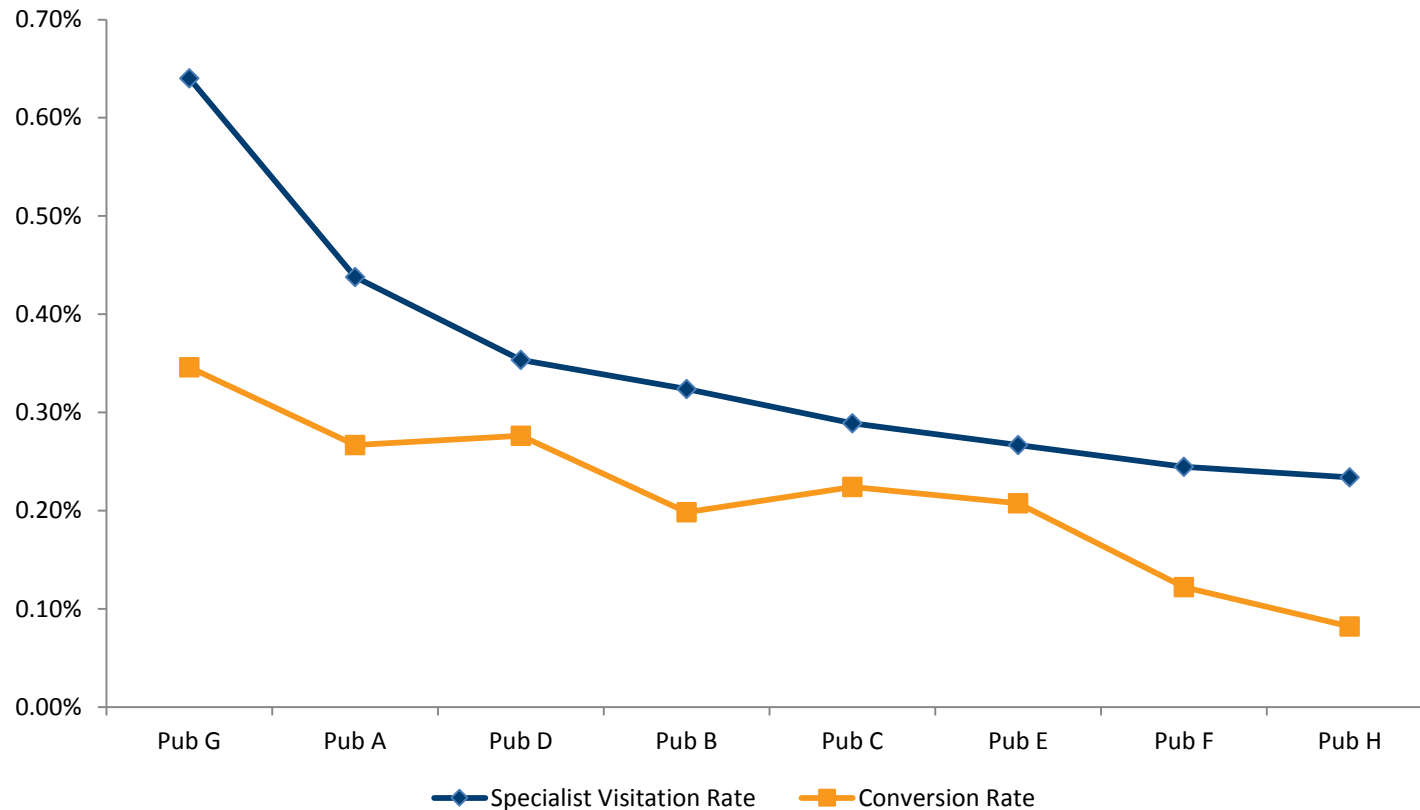


*Correlation coefficients typically range from 0 (not correlated) to 1 (strongly correlated)

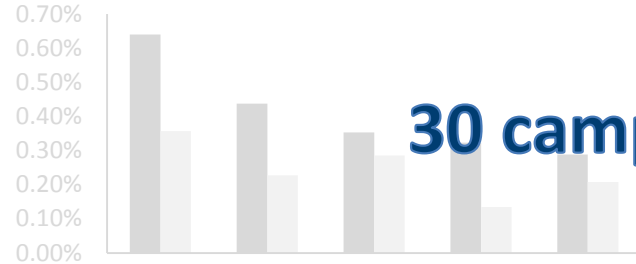
SPECIALIST VISITATION RATE PREDICTIVE OF IMPACT



For a recent campaign for a women's health brand, campaign analysis revealed **similar trend between specialist visitation and conversion to category**

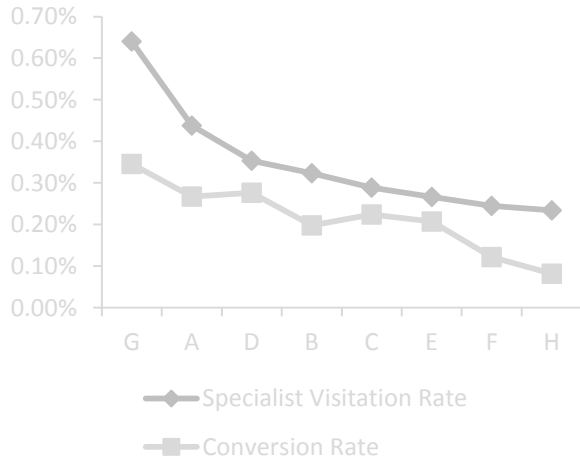
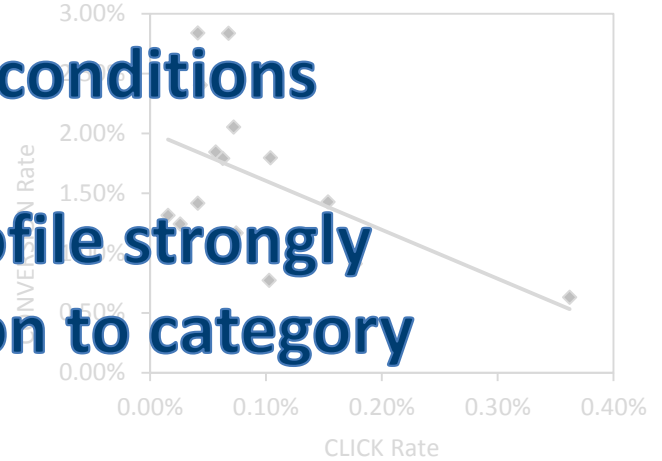


THE PROOF IS IN THE DATA



30 campaigns across 17 conditions

Audience treatment profile strongly correlated with conversion to category



Intent to Treat metrics predictive of sales impact



Acid Reflux ADHD Alzheimer's Anaphylaxis Asthma Atrial Fibrillation
 Bipolar Depression Birth Control COPD Depression IBS
 Multiple Sclerosis Osteoporosis Psoriasis Rheumatoid Arthritis
 T2 Diabetes T1 Diabetes

Business Challenge



- A digital media agency was tasked by its Rx brand client to:
 - Serve digital media to its hard-to-reach target audience of prospective and existing patients
 - Test a more audience-focused targeting approach, as a complement to the standard contextual/content-based approach
 - Measure contextual vs. audience targeted components of the campaign beyond traditional metrics (i.e., clicks, site visits) to understand if audience targeting yields incremental impact

Approach



- Agency partnered with Crossix to identify and serve media to the relevant target audience via online properties that are not contextually relevant
- Crossix predictive data models & audience scoring were employed to reach consumers with high propensities to treat in category and on brand
- Crossix analyzed key performance metrics, and compared these metrics between contextual and audience-targeted components of the campaign:
 - Cost per Target Consumers Reached
 - Doctor Visitation (Post-Campaign Exposure)
 - Cost per New Patient Starts (Post-Campaign Exposure)

CASE STUDY: MEDIA METRICS



Contextually Targeted

Audience Targeted

\$20.06

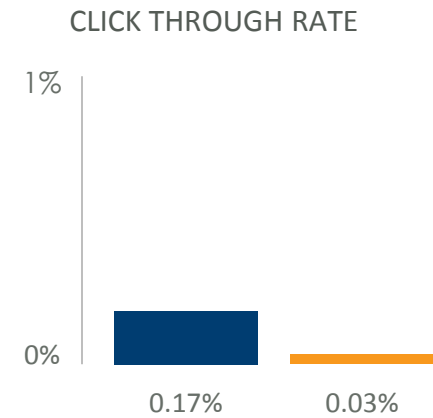
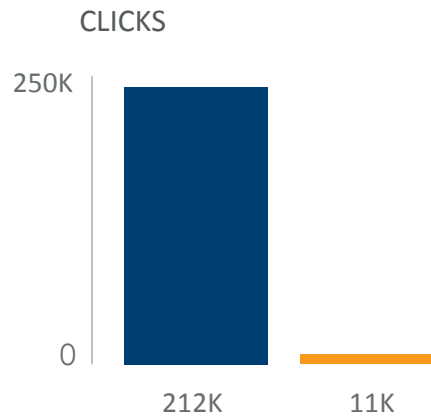


CPM

\$3.69



CPM

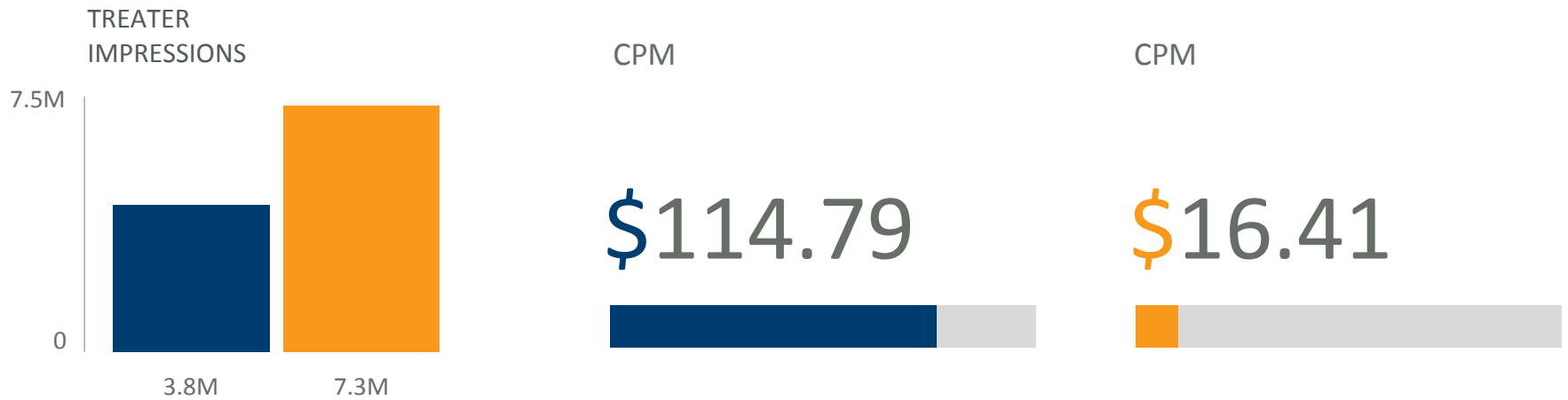


Audience Targeted: MediaMath, Content Targeted: DoubleClick
Enhanced Metrics for Both: Crossix DIFA

CASE STUDY: TREATERS REACHED



Contextually Targeted Audience Targeted

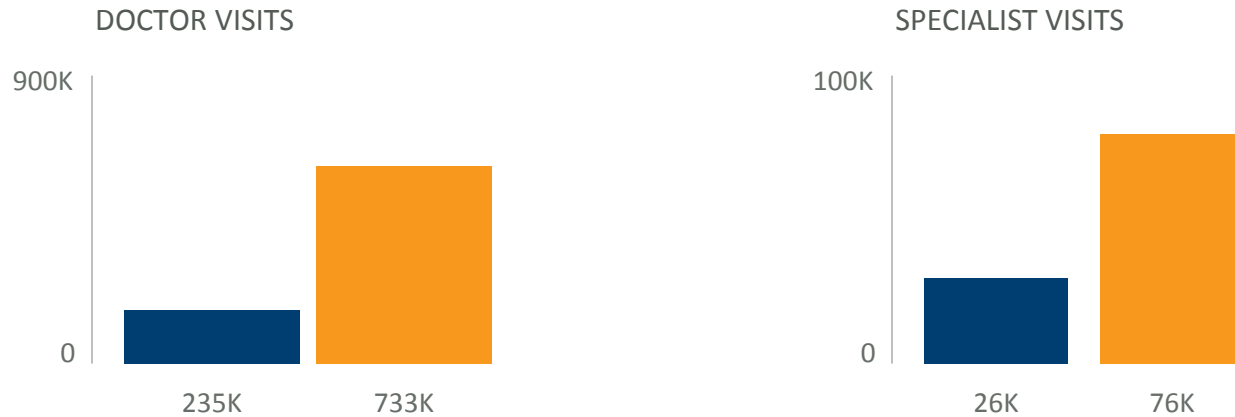


Audience targeting outperforms contextual in terms of efficiently reaching treating patients

CASE STUDY: PHYSICIAN VISITS



Contextually Targeted Audience Targeted



Audience-targeted media outperformed contextual at driving to physician

CASE STUDY: CONVERSION TO Rx



Contextually Targeted

Audience Targeted

ESTIMATED NEW PATIENT STARTS



ESTIMATED COST PER NEW PATIENT STARTS

\$2,346.24

\$119.22

Audience-targeted significantly outperformed contextual in terms of driving conversion cost-efficiently

SUMMARY OF KEY TAKEAWAYS

Audience targeting via predictive data is an effective approach

- While audience targeting should not *replace* contextual targeting, this case study proves the ability to efficiently reach target patients and drive incremental value through new media targeting & buying approaches

Advanced Rx-based metrics are essential to understanding digital media campaigns' true performance and value

- Traditional metrics (i.e., clicks, site visits) can be indicative of campaign performance, but they are not definitive or actionable KPIs

THANK YOU!

Questions?

Shannon Gallagher | Crossix

