



PHARMACEUTICAL ADVERTISING OVERVIEW:

TRENDS AND DTC TV CAMPAIGN OPTIMIZATION STRATEGIES

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Marketing Effectiveness Practice
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OVERVIEW

PHARMACEUTICAL ADVERTISING EXPENDITURES

Snapshot of who is spending how much and where

MEDIA CONSUMPTION TRENDS AND CONSIDERATIONS

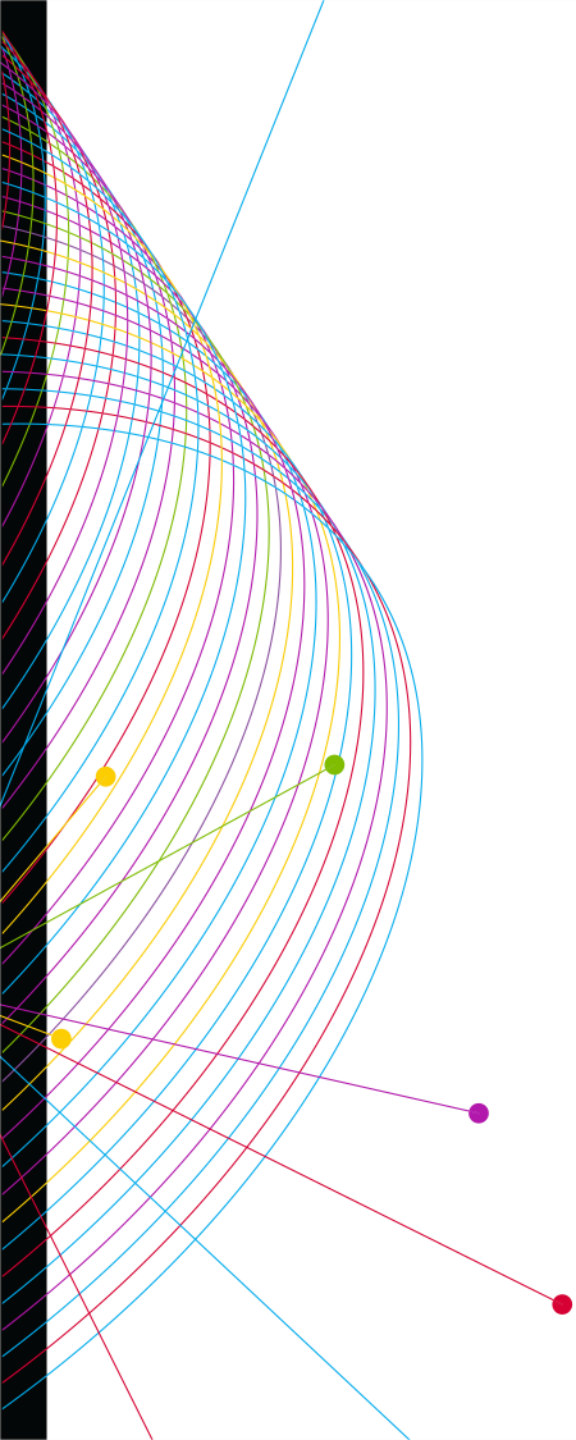
The learnings that are influencing media buying and planning today

BUYING AND PLANNING TV IN AN EVOLVING VIDEO LANDSCAPE

Reaching the right patients

IN-FLIGHT CAMPAIGN OPTIMIZATION

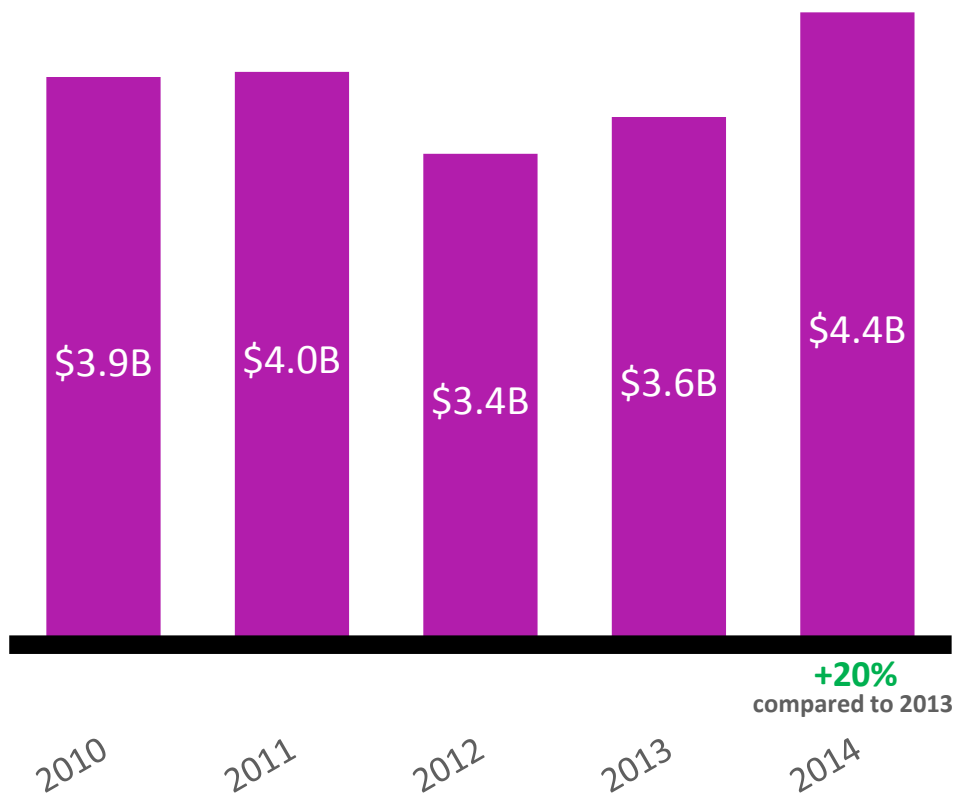
Tactics and strategies for maximizing DTC TV creatives

An abstract graphic on the left side of the slide. It features a vertical black bar on the far left. From this bar, a series of thin, curved lines in various colors (blue, green, yellow, orange, red, purple) fan out towards the right. Some of these lines terminate in small, solid-colored dots. The overall effect is that of a complex, multi-colored web or network structure.

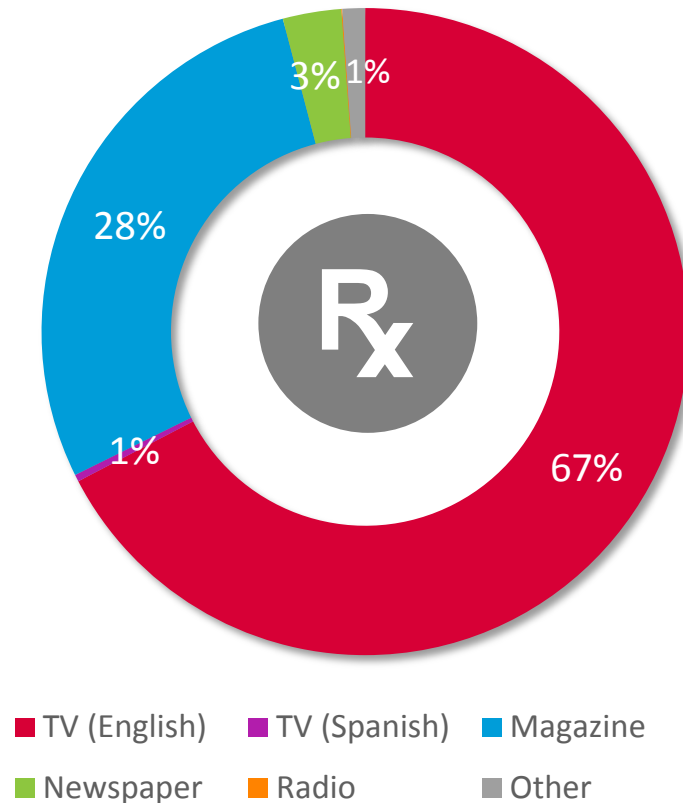
PHARMACEUTICAL ADVERTISING EXPENDITURES

AD SPEND ON DTC ROSE 20% YEAR-OVER-YEAR IN 2014

Total DTC Ad Spend

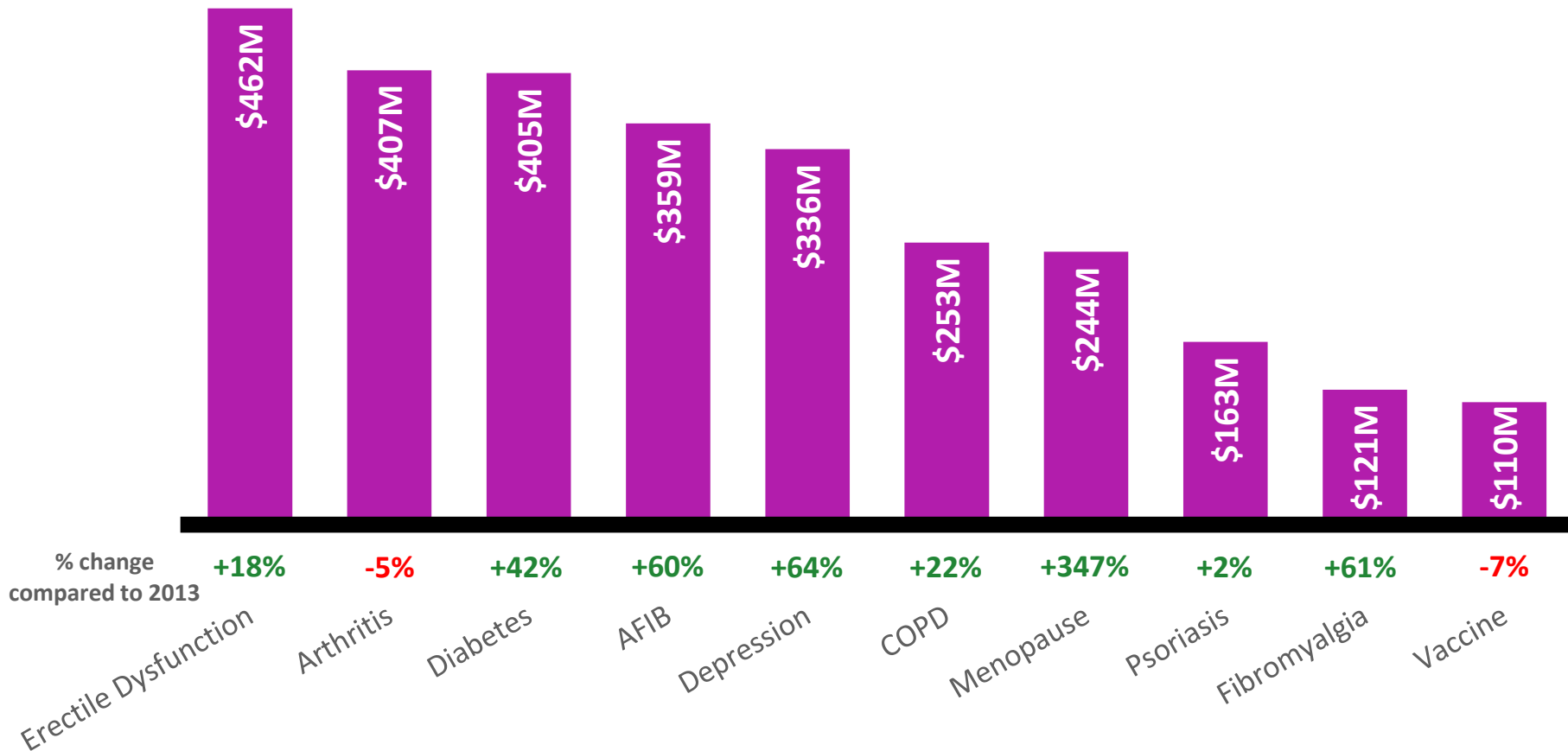


2014 Ad Spend by Media Type



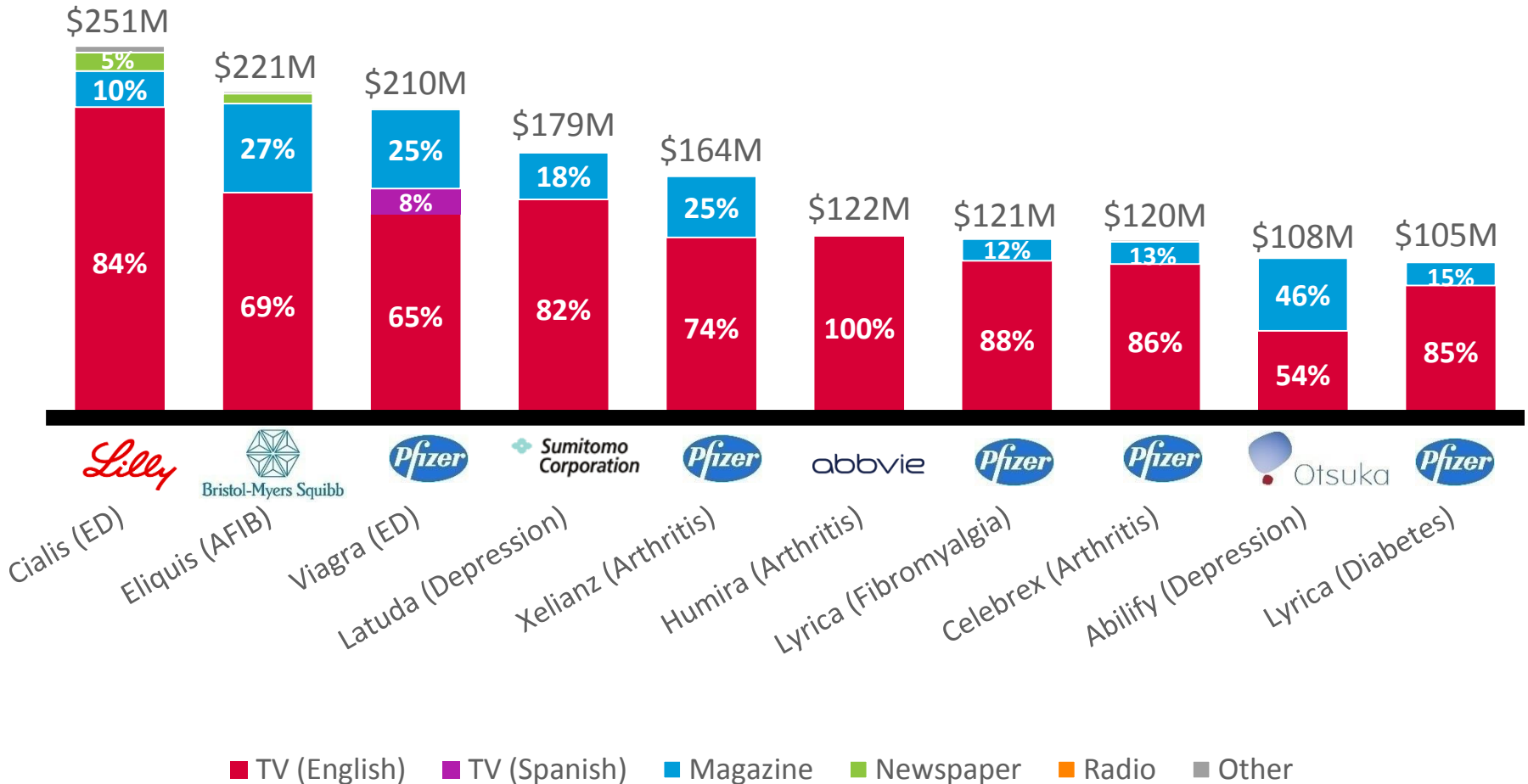
MANY CONDITIONS SAW LARGE INCREASES IN AD SPENDING YOY

Top DTC Treatments Advertised in 2014



TV CONTINUES TO COMMAND THE MAJORITY OF ADVERTISING BUDGETS

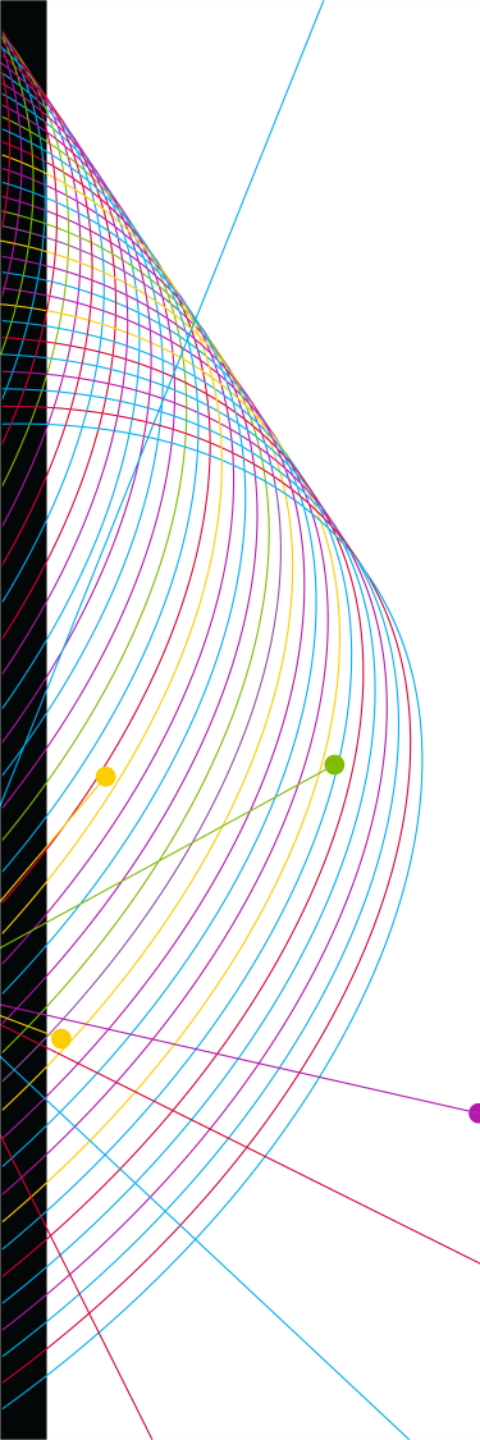
Top 10 DTC Brands in 2014



Source: Nielsen Ad Intel

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MEDIA CONSUMPTION TRENDS AND CONSIDERATIONS

An abstract graphic on the left side of the slide consists of a dense, overlapping web of thin, curved lines in various colors (blue, green, yellow, orange, red, purple). These lines originate from a vertical black bar on the far left and fan out towards the right. Several colored dots (yellow, green, purple, red) are placed at various points within this web, with thin lines extending from them towards the right edge of the graphic area.

Since 2008, various changes on and off the television have added clutter, fragmentation, and distraction to the viewing experience

OVER A 5 YEAR PERIOD...

18
percent

Increase in the
number of
commercial airings

34
percent

Increase in the number of
national networks

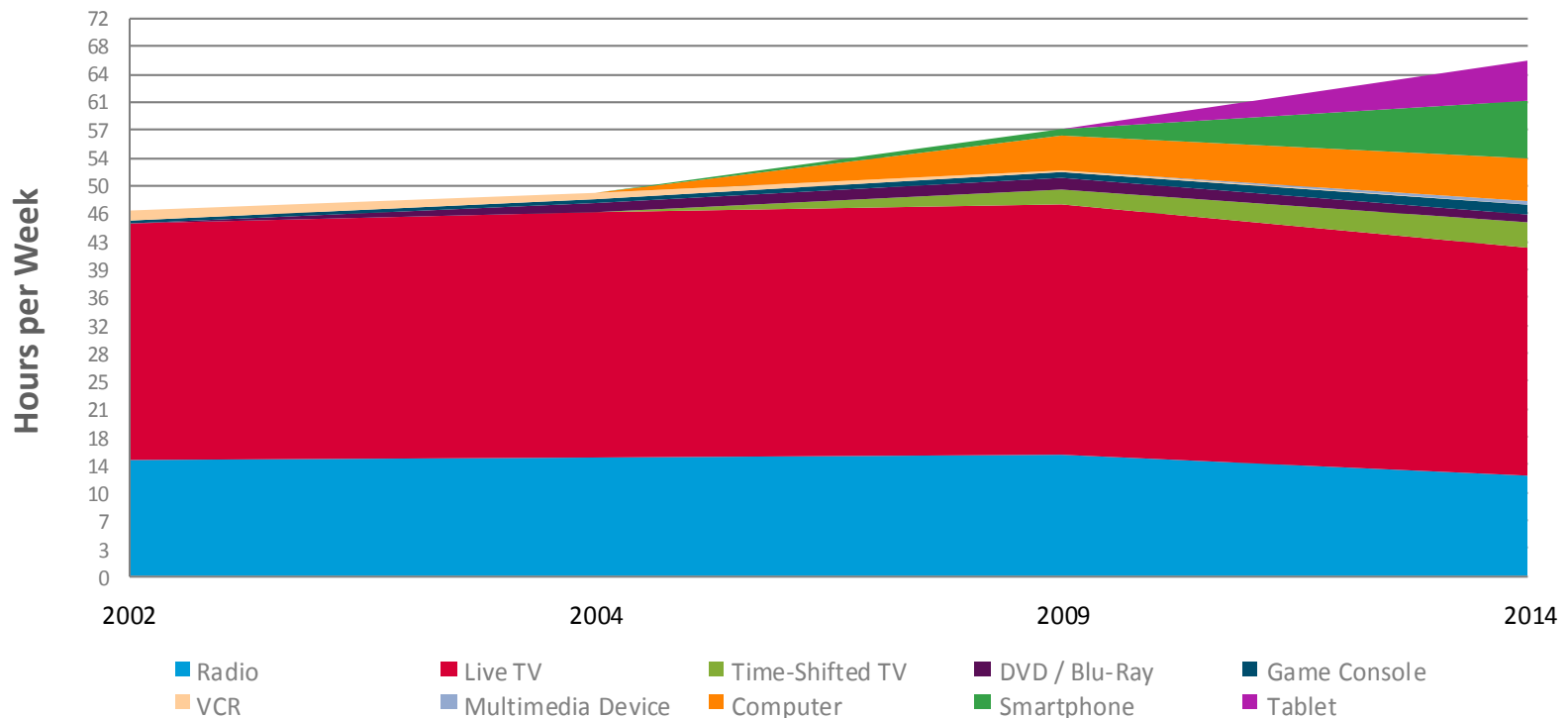
415
percent

Increase in the number of
smartphone HH
penetration

MEDIA FRAGMENTATION: MORE MEDIA OPTIONS DURING A CONSUMER'S WEEK = GREATER CHOICE AND CONTROL

Weekly Time Spent Based on the Total US Population

Based on Qtr 3, P18+



TV VIEWING: SHIFTS FIRST SEEN AMONG YOUNGER DEMOGRAPHICS ARE NOW VISIBLE AMONG OLDER VIEWERS

Total Day: Persons Using Television (Live)

Year over Year Percent Change

	P2-11	P12-17	P18-34	P35-49	P50-64	P65+
2008 vs 2007	-1%	0%	2%	2%	2%	2%
2009 vs 2008	1%	-2%	-2%	-1%	0%	1%
2010 vs 2009	3%	1%	-1%	-1%	0%	-1%
2011 vs 2010	-1%	-4%	-4%	-1%	1%	1%
2012 vs 2011	-3%	-4%	-4%	-1%	0%	1%
2013 vs 2012	-1%	-5%	-4%	-4%	0%	2%
2014 vs 2013	-8%	-10%	-10%	-5%	-3%	-1%
Jan-Feb 2015 vs Jan-Feb 2014	-11%	-18%	-15%	-6%	-5%	-3%

CONSIDERATIONS FOR A CHANGING ECOSYSTEM



As many people as ever are watching TV - but, **viewers are watching fewer hours.**



We will likely see **continued declines in traditional TV viewing** and **accelerating media fragmentation.**



There is an **opportunity for a more data-driven approach** to reach the right patients with the right messages.

An abstract graphic on the left side of the page features a vertical black bar. From its right edge, a series of thin, curved lines in various colors (blue, green, yellow, orange, red, purple) fan out towards the right. Some of these lines terminate in small colored dots. Additionally, several straight lines of different colors extend from the left towards the right, some ending in dots, creating a complex, layered visual effect.

BUYING AND PLANNING TV IN AN EVOLVING VIDEO LANDSCAPE

POWERFUL & PROVEN BIG DATA APPROACH

Integrate predictive health data to proactively identify the **networks, programs & dayparts** that index most favorably for reaching your intended audience, and optimize your TV buy accordingly

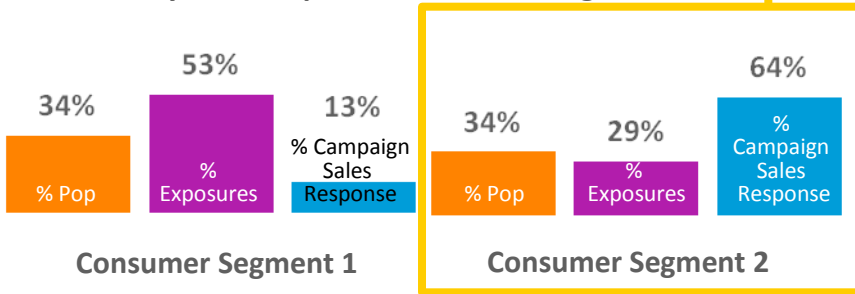


IDENTIFY THE MOST RESPONSIVE CONSUMERS TO INCREASE SALES LIFT

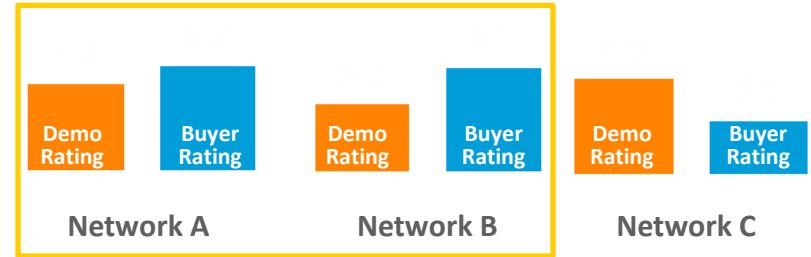
1 Identify demo campaign (baseline) sales lift



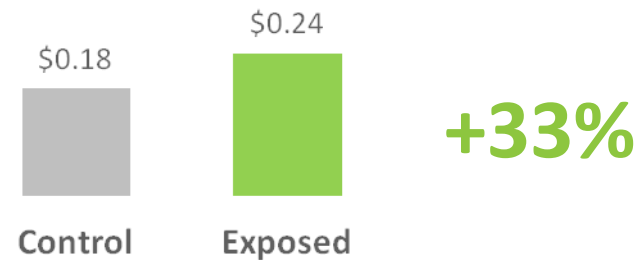
2 Identify most responsive consumer segment



3 Identify where they can be reached + execute



4 Measure buyergraphic campaign sales lift



ANALYZE CAMPAIGN REACH AND APPLY LEARNINGS

Actual

Audience Reach of Campaign

Network	Program	Brand X Targeting Index	Brand X Target Average CPP
NBC	UP ALL NIGHT 1/5	255	\$287
CBS	60 MINUTES 1/1	210	\$261
NBC	SUNDAY FOOTBALL 1/4	166	\$104
FOX	NEW GIRL 1/5	124	\$368
CBS	BIG BANG THEORY 1/4	115	\$247
ABC	THE BACHELOR 1/6	103	\$157
FOX	FAMILY GUY 1/3	92	\$242
ABC	DANCING W/STARS 1/7	85	\$117
NBC	PARENTHOOD 1/2	68	\$380
FOX	MASTERCHEF 1/3	54	\$549
CBS	NCIS: LOS ANGELES 1/4	45	\$656

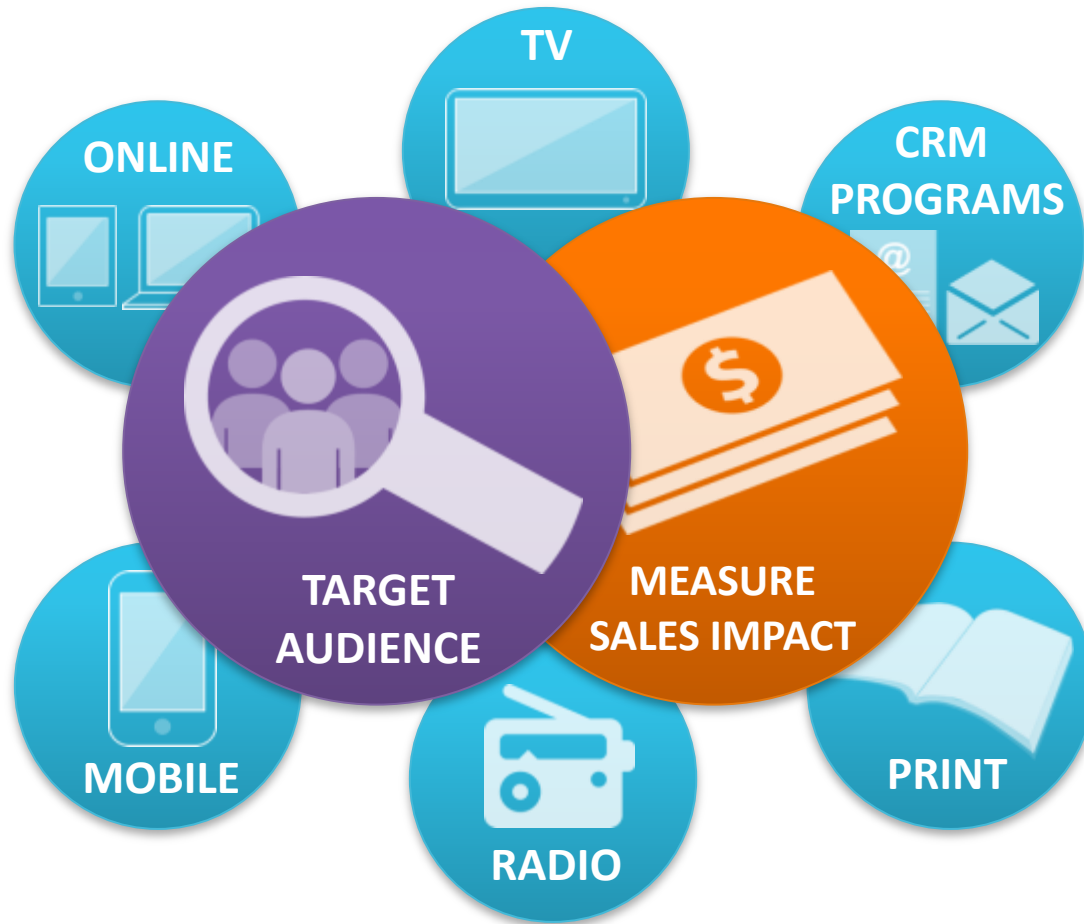
Optimized

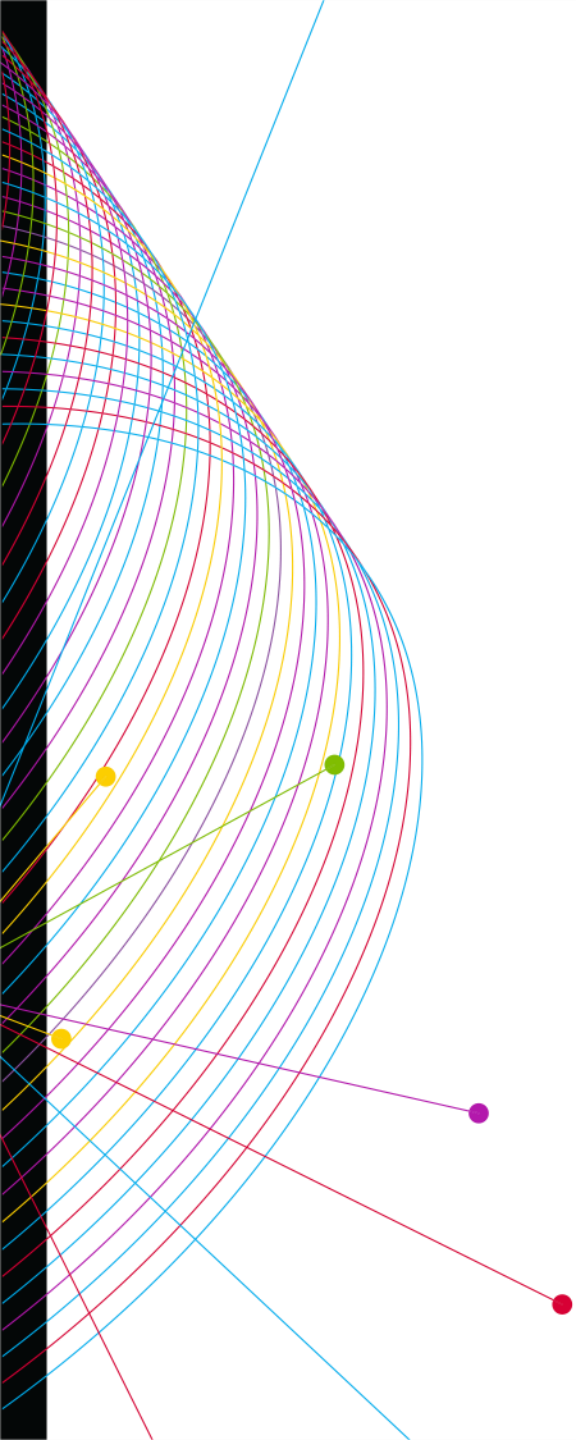
Audience Reach of Campaign

Network	Program	Brand X Targeting Index	Brand X Target Average CPP
NBC	UP ALL NIGHT 1/5	255	\$287
CBS	60 MINUTES 1/1	210	\$261
ABC	MODERN FAMILY 1/2	194	\$323
NBC	SUNDAY FOOTBALL 1/4	166	\$104
FOX	SIMPSONS 1/3	144	\$95
CBS	48 HOURS 1/6	137	\$113
FOX	NEW GIRL 1/5	124	\$368
CBS	BIG BANG THEORY 1/4	115	\$247
ABC	20/20 1/3	112	\$162
NBC	THE VOICE 1/1	105	\$235
ABC	THE BACHELOR 1/6	103	\$157

■ = Highly targeted audience
 ■ = Moderately targeted audience
 ■ = Poorly targeted audience

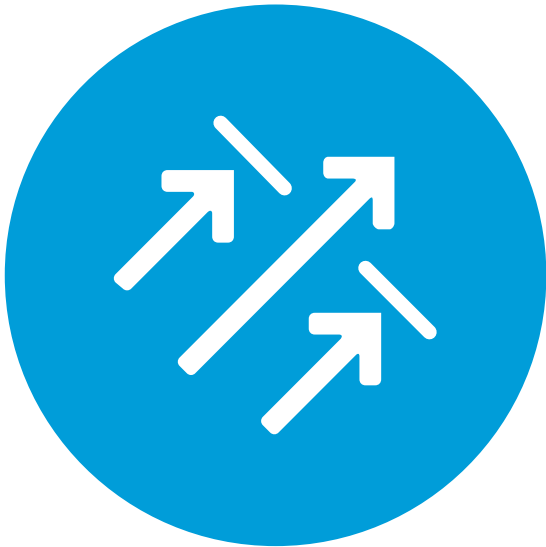
STRATEGY: DEFINE ONCE, ACTIVATE EVERYWHERE





IN-FLIGHT OPTIMIZATION

TO DRIVE A REACTION, AN AD NEEDS TO
BREAK THROUGH AND RESONATE





HARD TO BREAK THROUGH TODAY'S AD CLUTTER

THE COMPLICATION: Enormous bombardment of advertising exposures



TV AD IMPRESSIONS PER PERSON

300 PER DAY

1750 PER WEEK

7600 PER MONTH

91000 PER YEAR!

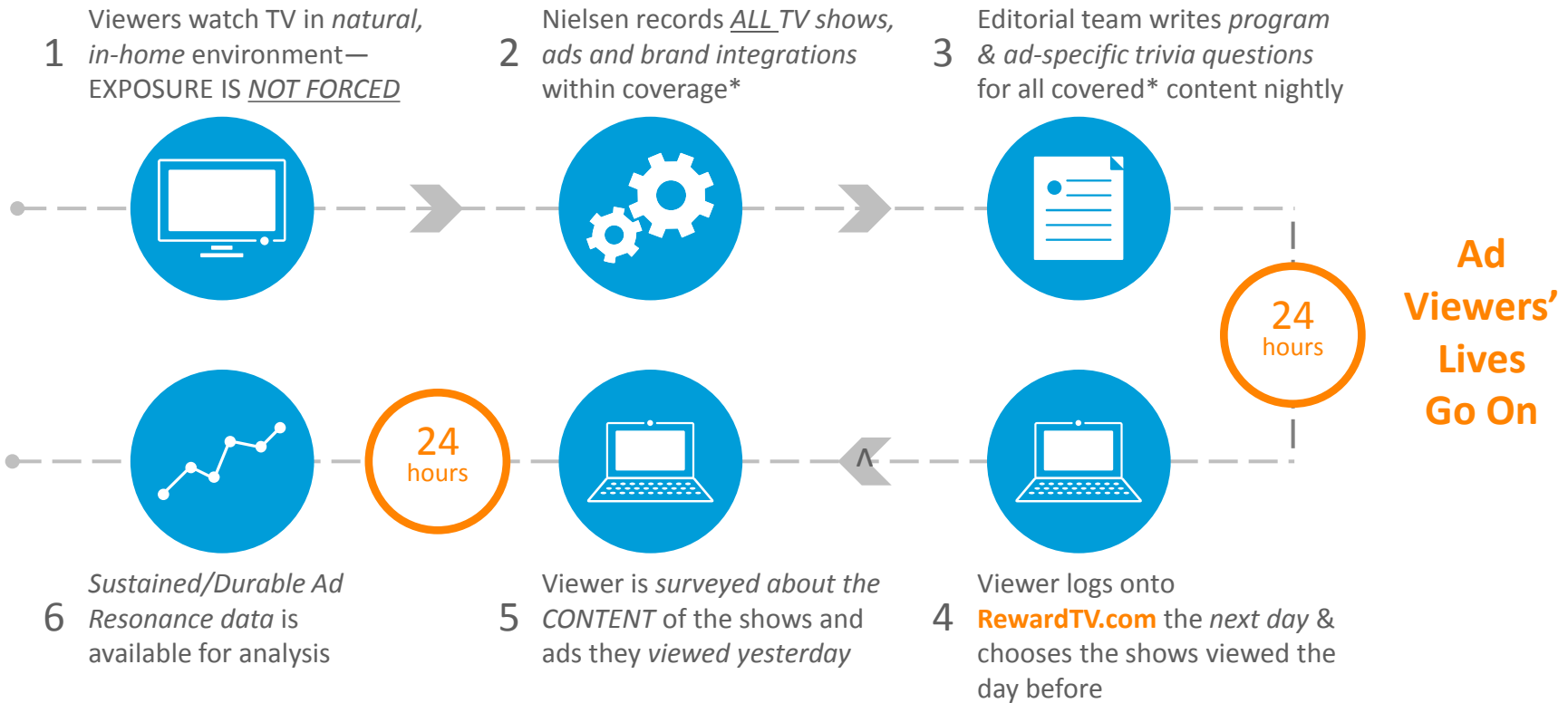
HOW DO WE MEASURE THIS?

Sustained and durable resonance for nearly all TV ads, in real-time



HOW DO WE DO THIS?

Sustained and durable resonance for nearly all TV ads, in real-time

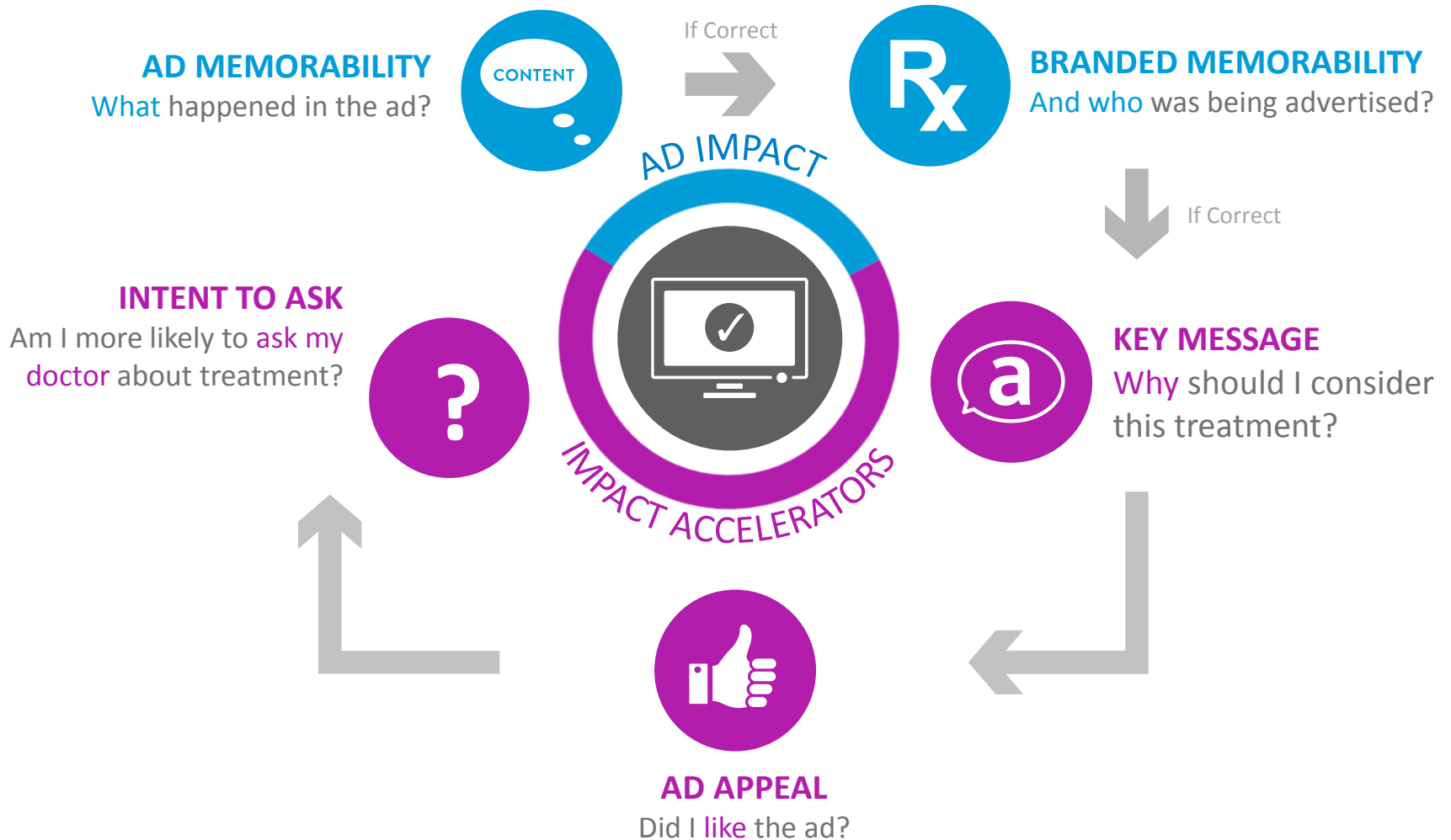




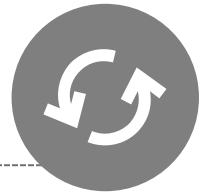
KEY: Easy to answer shortly after forced exposure . . . but not so easy a day after natural in-market exposure

SUSTAINED AD RESONANCE

Engrained memory as well as messaging & appeal



IN-FLIGHT OPTIMIZATION COMES IN MANY FORMS



CREATIVE QUALITY

Assessing creative quality to make changes in-flight & inform future campaigns



MEDIA WEIGHT

Tracking how media weight is influencing campaign wear-in & wear-out



FLIGHTING

Monitoring campaign flighting for ad rotation optimization



PROGRAM EFFECTIVENESS

Understanding the impact of program effectiveness & inform media inventory



COMPETITIVE ACTIVITY

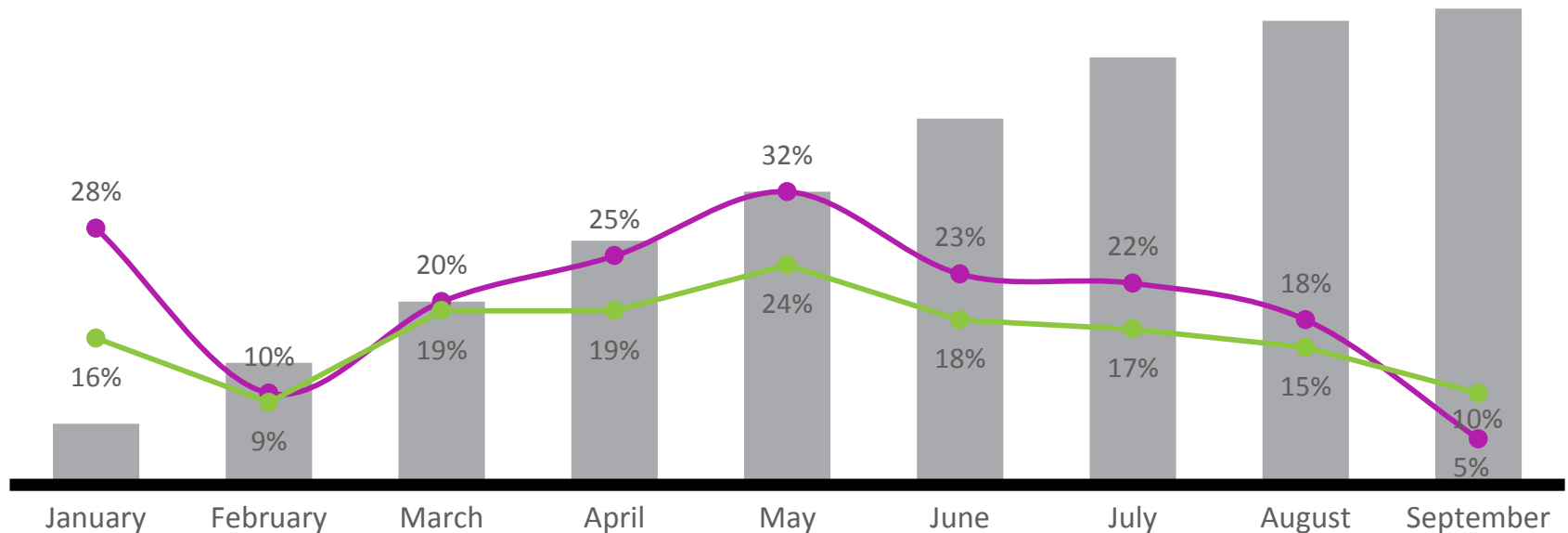
Tracking competitor activity & misattribution to inform strategic positioning

MONITOR FOR CREATIVE WEAR-OUT

SUCCESS CAN BE FLEETING, WE HELPED THIS CLIENT TRACK CAMPAIGN WEAR-OUT AND PROVIDED SUGGESTIONS AND RECCOMENDATIONS FOR HOW TO REFRESH THEIR CAMPAIGN

Cumulative Performance Trend

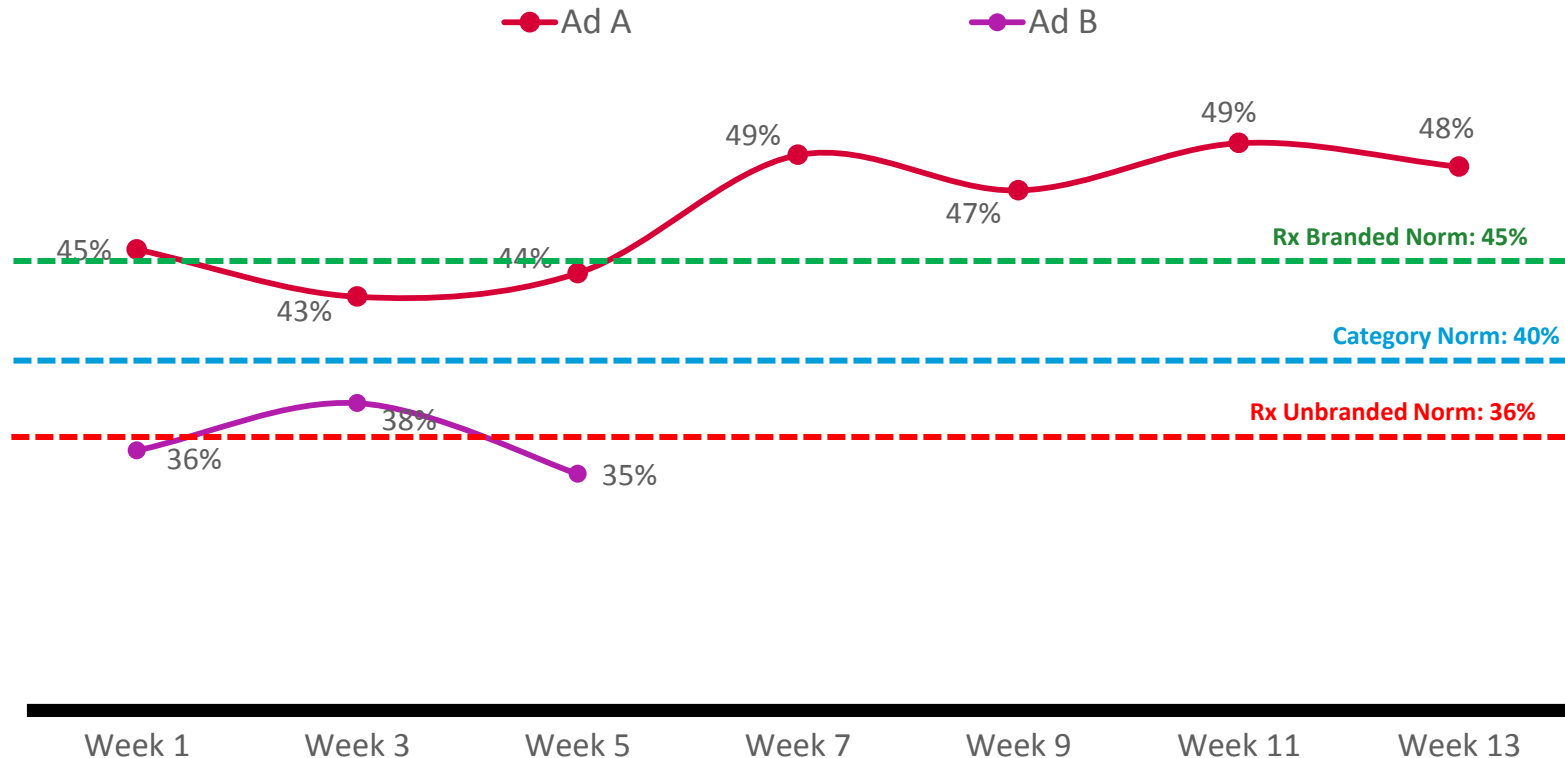
■ Cumulative GRPs ● Likeability ● Intent To Ask MD



OPTIMIZE MEDIA SUPPORT BEHIND HIGHEST-PERFORMING ADS BEFORE IT IS TOO LATE

WE IDENTIFIED AD B AS A POOR PERFORMER AFTER JUST A FEW WEEKS ON AIR – ENABLING THE CLIENT TO SHIFT SUPPORT TO THE MORE PRODUCTIVE AD A

Net Impact Potential Performance Trend

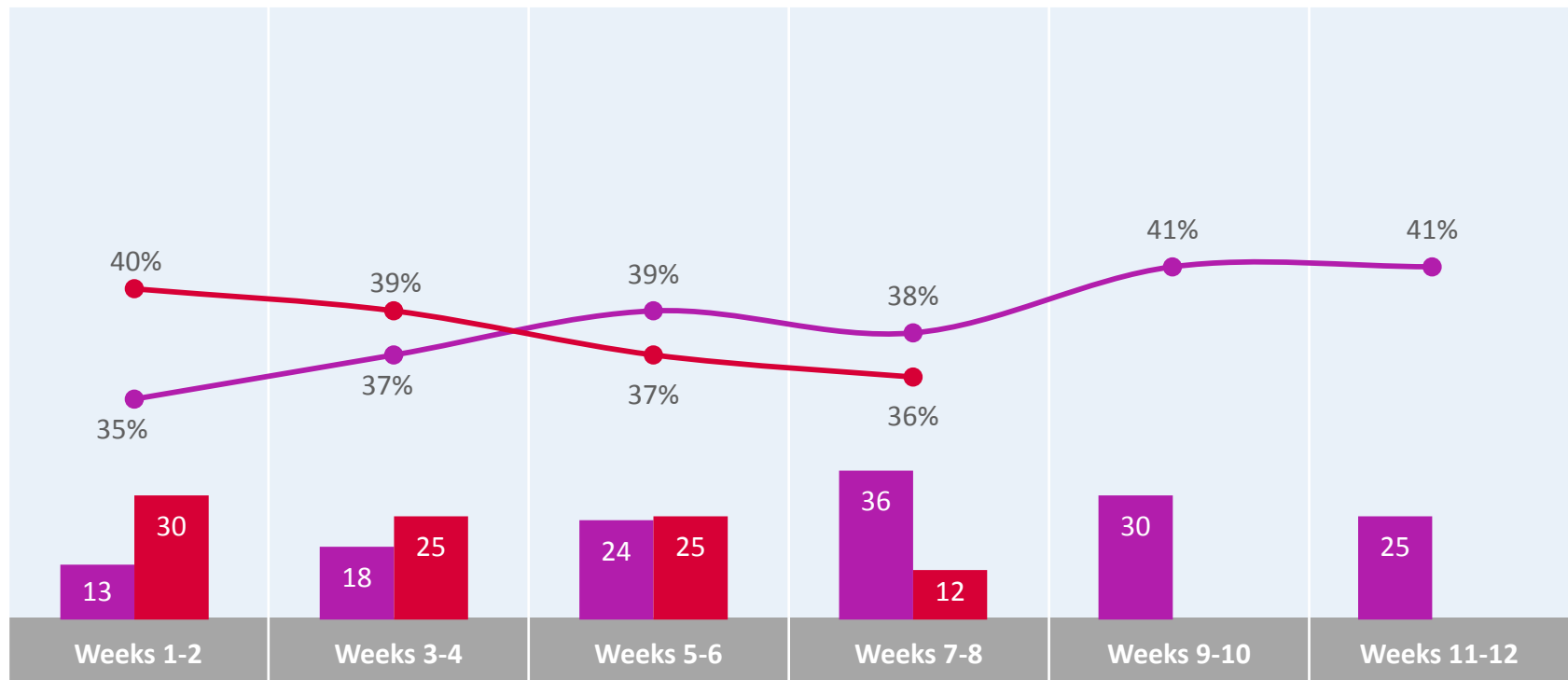


IDENTIFY OPTIMAL AD LENGTHS

BY SHIFTING MEDIA WEIGHT FROM :90 TO :60 ADS, THIS CLIENT BENEFITED FROM COST EFFICIENCIES

Memorability for Branded Rx Campaign by Ad Length

■ :60 Media Weight ■ :90 Media Weight ● :60 ● :90

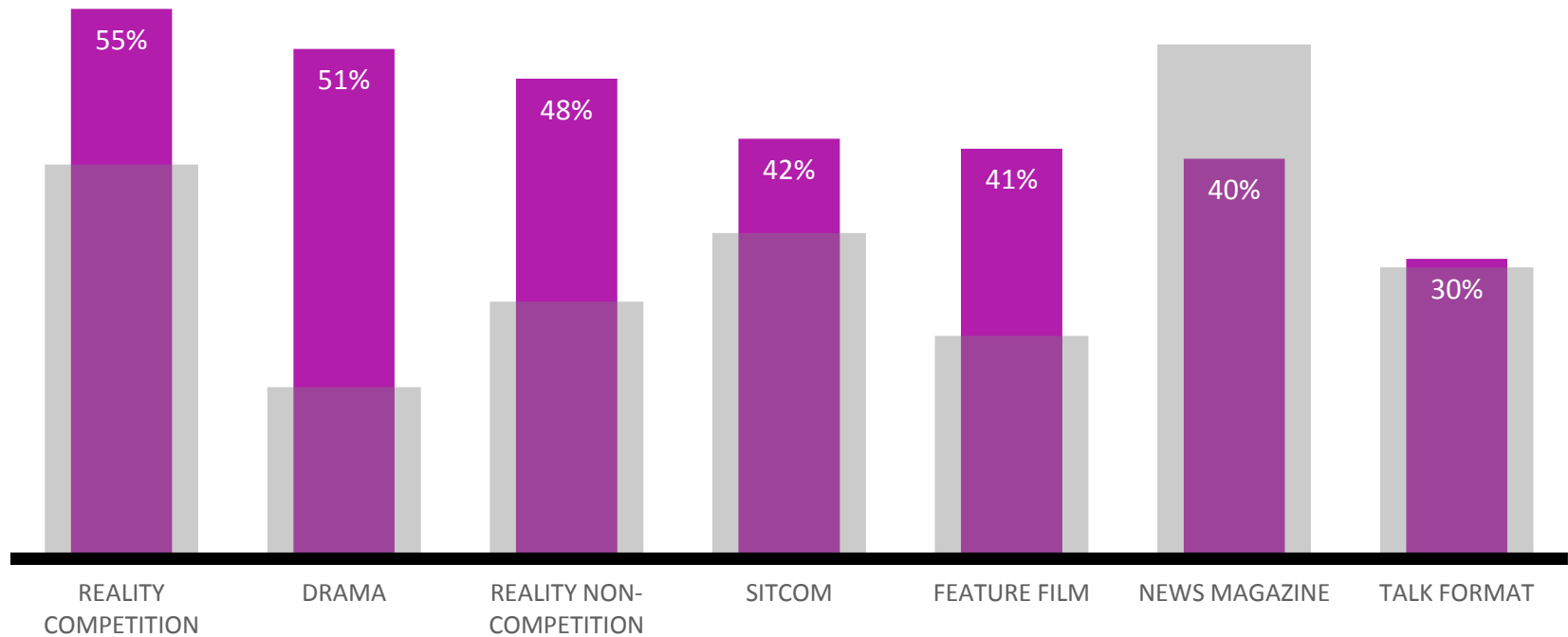


SHIFT MEDIA WEIGHT TO BEST PROGRAMMING ENVIRONMENTS

CLIENT SHIFTED MEDIA WEIGHT TO REALITY AND DRAMA, THE MOST CONDUCTIVE GENRES TO THIS CAMPAIGN'S BREAKTHROUGH

Campaign Memorability by Program Genre

■ Memorability ■ Media Weight



SUMMARY



ADVERTISING EXPENDITURES

- Ad spend projected to continue to grow in 2015
- TV and Print will maintain dominance, but digital will rise with better targeting



MEDIA CONSUMPTION

- Media fragmentation accelerates and with it, declines in traditional TV viewing
- Think content, not platforms
- Total Audience



BUYING/ PLANNING WITH PRECISION

- Predictive Data
- Identify which networks, programs and dayparts your audience consumes
- Optimize accordingly



POWER OF IN-FLIGHT OPTIMIZATION

- Clutter of messages presents challenges and opportunities
- Real-time in-flight optimization offers ability to course-correct and maximize campaign investment

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