



**Rx Delivery Outside of the Pharmacy:
What it Means & What You Need to Know**

November 6, 2015



We're a health-centric media firm
that connects brands with
professionals, patients and caregivers
when and where they will be most
receptive to messages

AGENDA

1

Advancements in Healthcare Technology

2

Projected Growth of the at-home delivery model and its benefits

3

Leveraging Learnings from CPG Landscape

4

Pharmacy Marketing Considerations

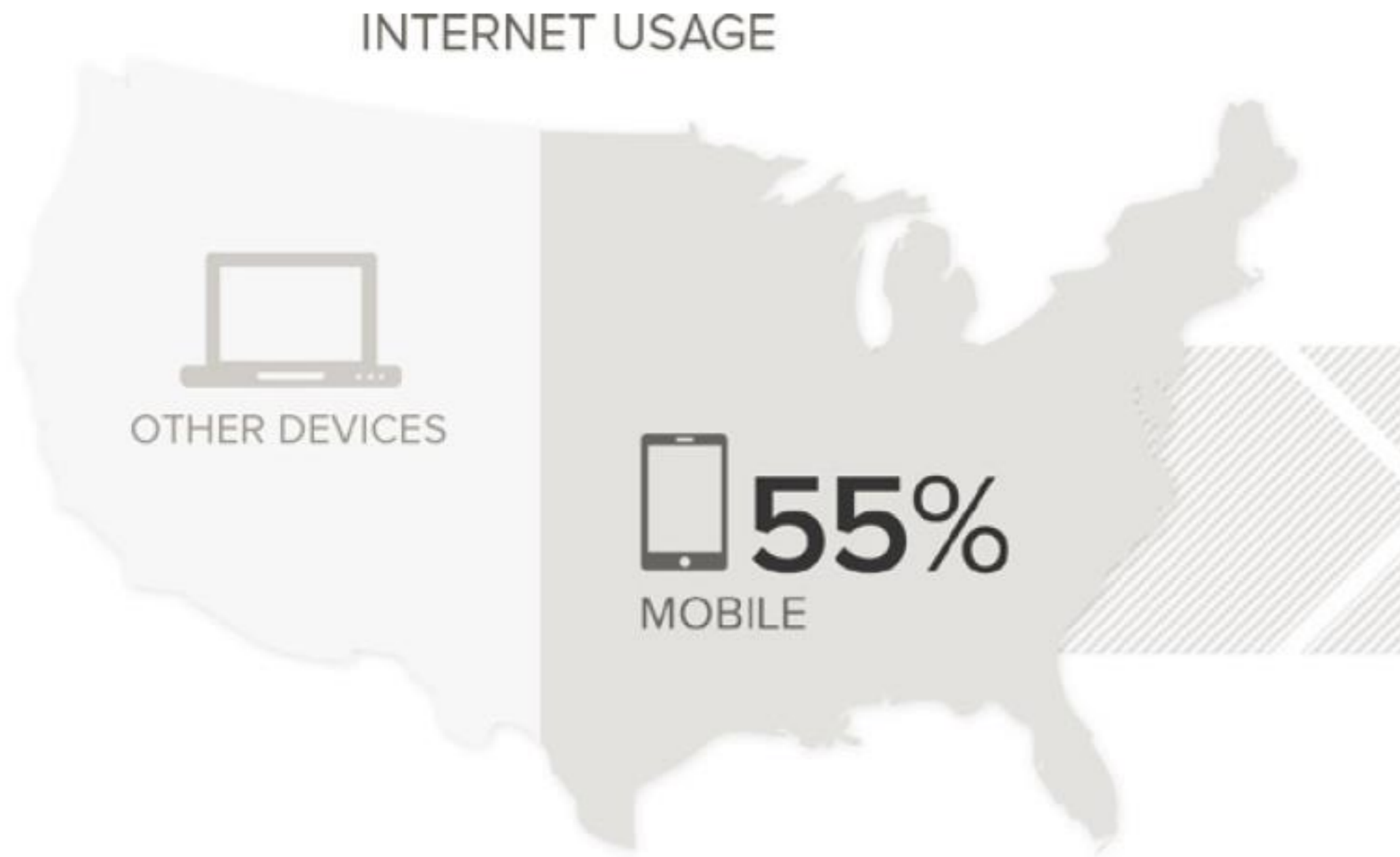


1

Advancements in Healthcare Technology

Emerging technologies have shaped the patient-doctor communication

Where the world is today.....



Digital's Influence has Resulted in Emerging Technologies



Wearables



Mobile Health Apps



Advanced Medical Treatments and Devices

Transformation of Healthcare

Today / Tomorrow

Yesterday

Physician
Centric

Patient
360

*Patients are more
informed of their
health options*

*Patients sought guidance from
their physician for all their
medical needs*

Evolution of the Patient's Journey



20% Of Americans are taking 5 or more prescription medications at the same time

69% Look up symptoms online before seeing a doctor

16.4 million uninsured people have gained health coverage since the implementation of the Affordable Care Act

21% Baby Boomers (50-68) purchase prescription drugs online or via mail order

64% Learn about health conditions themselves instead of relying on doctor to tell them what they should know

2

Projected Growth of the at-home delivery model and it's benefits

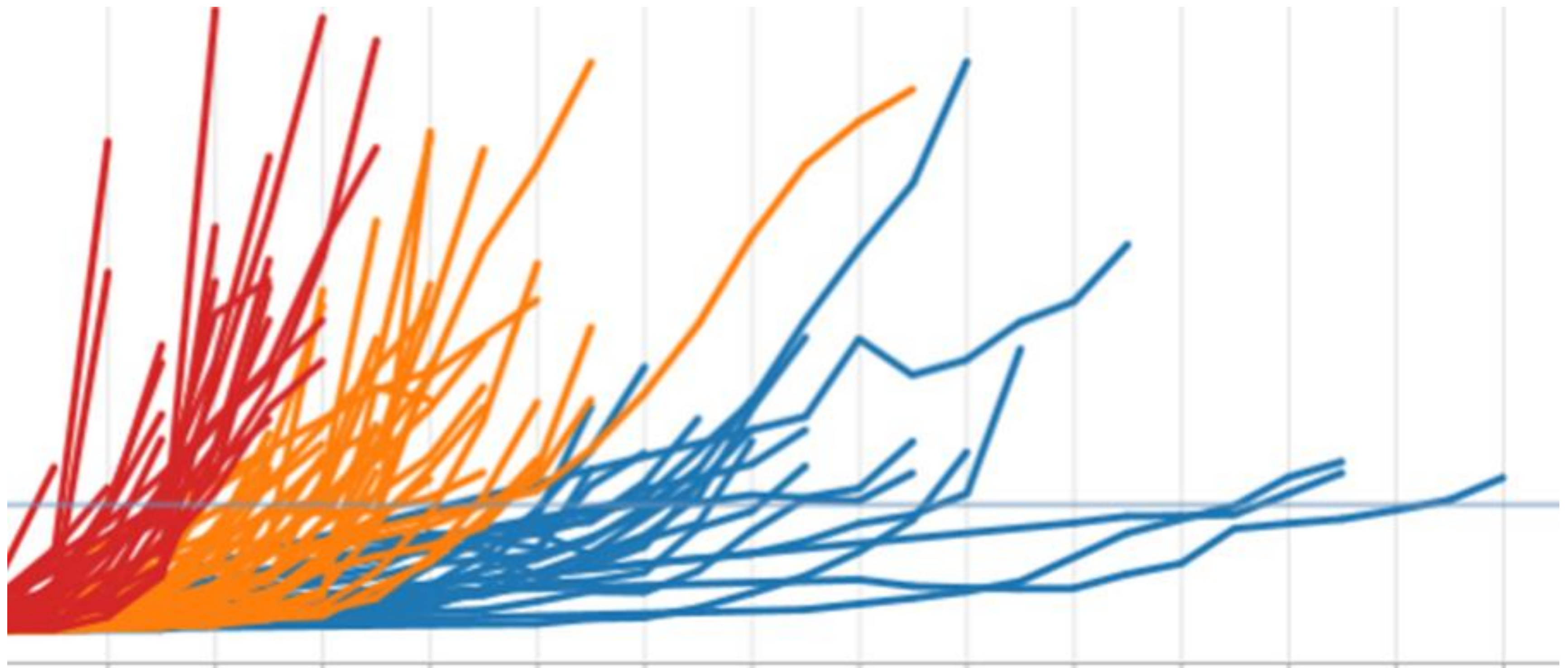
Healthcare in the DIY era

The Trajectory for the Non-Traditional Rx Delivery Model Continues to Explode

Online / Mail-Order

Specialty Pharmacy

Retail (Brick & Mortar)



Key Drivers

Affordable Care Act

PBMs and ACOs

Cost



Advantages of the Online Pharmacy

- Convenience
- Limits need to use multiple pharmacies to fill prescriptions
- Eases the management of taking medication
- Lowers risk of something being out of stock

Disadvantages of the Online Pharmacy

- Concern with having to rely on a mail service
- Puts local independent pharmacies in jeopardy
- Lack of personal interaction
- Fear of purchasing from an illegitimate source

Types of Online Pharmacies

Independent

 PillPack

 briova_{Rx}TM

 MEDVANTX[®]
Pharmacy Services

 FamilyMeds
Online Pharmacy

 USscript[®]
Integrity. Innovation. Outcomes.

 WELLPARTNER[®]
Expanding Community Benefit and Patient Care

Provider

 Aetna Rx
Home Delivery

 Cigna.

 HealthPartners

 Humana
Pharmacy

 Liberty[®]
We Deliver Better Health[®]

Retail

 CVS
CAREMARK

 ALLCARE
PHARMACY

 mygofer[™]

 drugstore.com[™]
the uncommon drugstore

 RIDGEWAY
PHARMACY



What does this mean for....

Pharmacists

Physicians

Patients

Marketers



- Less traffic at the pharmacy counter to allow more time to address customer questions

Pharmacists

Physicians

Patients

Marketers



- Opportunity to engage with and guide patients in their treatment
- Leverage connected health to further monitor a patient's medication intake
- E-prescribing would be more heavily used
- Heightened communication with vendors

Pharmacists

Physicians

Patients

Marketers



- Convenience of not having to travel to pharmacy
- Management of medication intake is made simple
- Lower Cost
- Anonymity

Pharmacists

Physicians

Patients

Marketers



- To stay competitive and top of mind, it is vital to pursue alternative methods of reaching the patient
- Must be mindful of branded and generic drug shifts
- Opportunity to gather better survey data

Pharmacists

Physicians

Patients

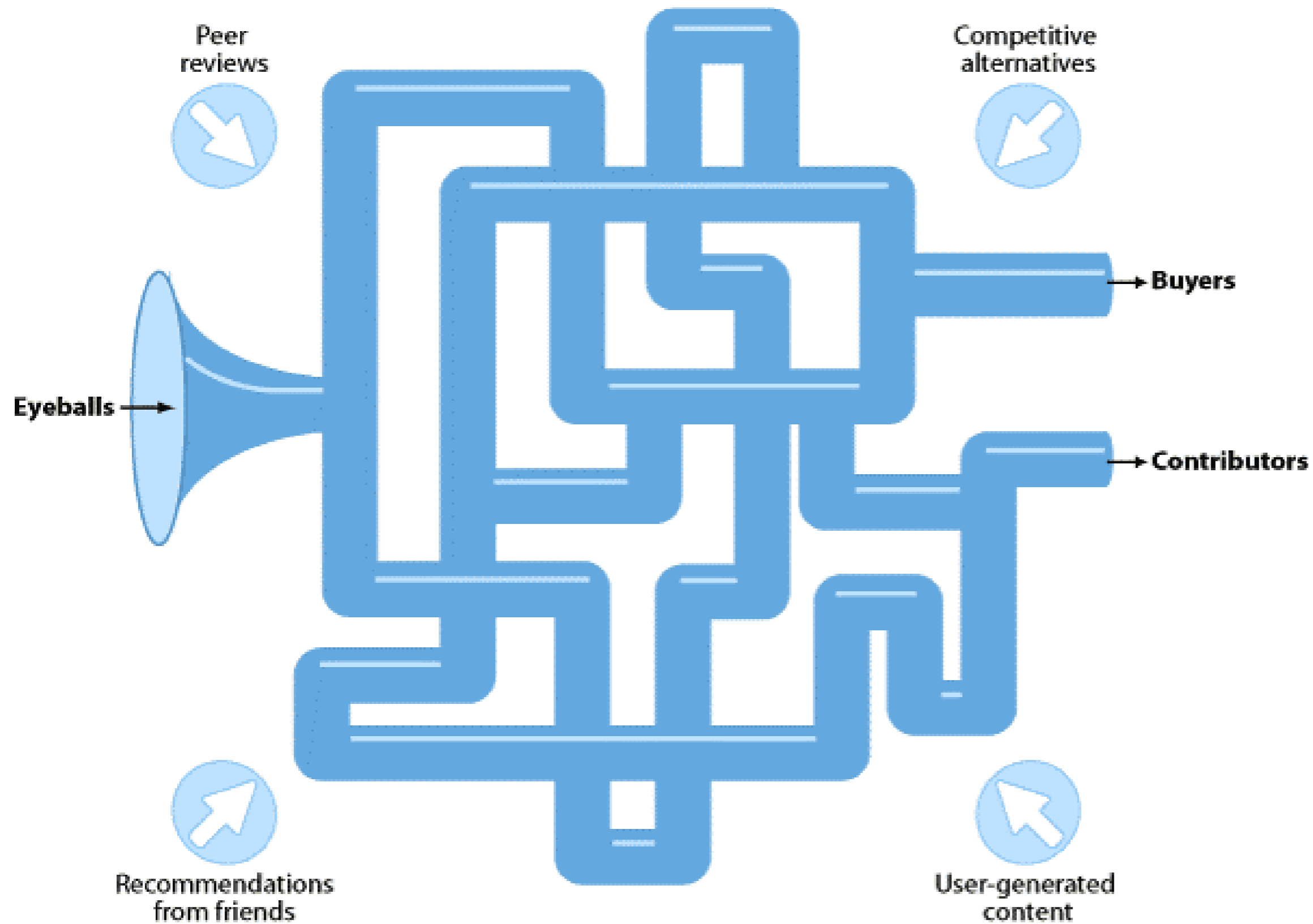
Marketers

3

Leveraging Learnings from CPG Landscape

CPG brands have embraced the growth of digital to better intersect and engage with consumer segments

Digital plays a vital role throughout all facets



- Digital has revolutionized the CPG landscape, turning it from “Cardboards to Connections”
- Disrupted the linear path to purchase – the path is fragmented with infinite touchpoints
- Mature CPG companies face high transitional challenges to adapt to an online world

The Digital Shelf is Key

amazon



SOAP.com

Boxed

Netgrocer.com

Blue Apron

freshdirect

Instacart



jet

Non-Pharma
adopters of
online
shopping, at-
home delivery
model

Where CPG is headed

Today

Consumers are shifting behavior & shopping for food online



Specialty food purchases are increasing online



Value added services are fast approaching



Giants & start-ups are disrupting market forces



Digital interactions influence \$0.64 of every dollar spent in store



2018

22% lift in online sales

25% increase in specialty food & Bev. Sales

Convenience is the dominant force

Eases local delivery – consumer to embrace mobile apps, home delivery models & rapidly buy online

Increased influence, \$0.82 of every dollar spent in-store

Brands must disrupt, be visible, active to embrace the digital revolution

4

Pharmacy Marketing Considerations

Reach the right audience, at the right time, for the right reason

Traditional Communication Channels for Pharmacy Targeting

In the Pharmacy

- Shelf-talkers
- Carts / Baskets
- Floor Decals
- Signage
- In-store audio

Outside the Pharmacy

- Digital Display
- Print
- OOH

Around the Pharmacy

- Mobile geo-fencing
- Targeted OOH placements
- Unconventional (“Guerilla”)

Case Study: Driving Patient to Pharmacy (2013)

Objective

- A flu vaccine brand was looking to influence consumers to get their flu shot at select pharmacies and ask for their brand by name
- This was a pilot program to see how co-marketing with the pharmacy could work

Solution

- Executed a 3-month test and learn program
- Applied an integrated media approach in key markets where only this brand was available at pharmacy

Tactics

- In-Store
- Digital
- OOH/DOOH
- Print
- Guerilla/ Unconventional

Case Study: Driving Patient to Pharmacy (2013)

Results

- Locations with the test promotion at retail had significantly higher volume of flu shots requested
- Scooter Squad promotion delivered more materials than expected, driving high volume to the pharmacy
- Recognition of effort from CEO of top retail chain
- Brand team had the learning they needed to roll out across other chains

Potential Marketing Opportunities w/ Online Pharmacy

Customization: More robust CRM databases to tailor communication to the needs of the individual

Education: Printed materials with discussion guides, brand announcements and or cheat-sheets

Data Capturing: Open platform to conduct surveys and have a better understanding of the patient mindset post-doctor visit

Key Takeaways

- The online pharmacy should not be seen as a a distinct distribution channel, but an alternative way to interact with customers
- It's an open platform to distribute, educate and engage

Conclusions

1

Advancements in Healthcare

Technology mean marketers need to embrace and adapt to emerging technologies and use these advancements to better meet the needs of the patient.

2

Projected Growth of the at-home delivery model and its benefits

suggests there are advantages and disadvantages with the online pharmacy platform that impact everyone from the patient to the marketer.

3

Leveraging Learnings from CPG

Landscape: Those in the world of pharma are often more hesitant to adopt new, advanced methods of communication, thus marketers may look to non-pharma brands for guidance.

4

Pharmacy Marketing Considerations:

While the traditional methods of targeting the patient post-doctor visit can be effective, there are also opportunities within online pharmacy.

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