

## @TEOTD, MM is OIW. RU R-D?

(At the end  
of the day,  
**MOBILE  
MARKETING**  
is on its way.  
**ARE YOU READY?!**)

### Mobile marketing is gaining ground in pharma

**P**fizer did it. Bayer is doing it. So are J&J, Novartis, and others. There is evidence that use of mobile marketing is slowly taking hold in the industry. As texting grows within the United States from teens BFFing and ^5ing to baby boomers using short codes to respond to ads, pharma is slowly SU2P (stepping up to the plate).

#### THE TEXT TIDE IS TURNING

Several factors have converged recently to create a more robust environment for mobile marketing pharma pioneers. One, while the United States has been behind other countries — such as the United Kingdom and many countries in Asia — in its use of text messaging, it is beginning to show growth, racking up more than 240.8 billion texts a year in 2007, an increase from 57.2 billion in 2005, according to CTIA-The Wireless Association, an international nonprofit membership organization.

According to a recent eMarketer report, U.S. mobile spending is projected to almost double to \$1.7 billion this year. (Please see chart on page 30 for more information.)

Some experts say shows like American Idol have been the biggest influences in increasing the use of text messaging in this country. The public voting via short codes during the popular televised singing competition has allowed the American public to become very comfortable with giving and receiving information over their cell phones.

“The U.K. traditionally has been hotter, but in the past 12 months the United States has caught up incredibly quickly,” says Tim Davis, cofounder of Exco InTouch. “Today in the United States, 80% of the population across all demographics has cell phones and there isn’t a bump in the younger segment, which is somewhat unique to the United States. Shows like Dancing with the Stars and American Idol that use text-message voting facilities have driven up the social acceptance of mobile marketing techniques. Even U.S. presidential campaigns are using text messaging.”

Mr. Davis, based in the U.K., reports that all Central European and former Eastern European countries have tremendous cell phone penetration. As a nation the U.K. sends 1 billion text messages a week — 150 text messages per person on a monthly basis. Asia-Pacific countries are using cutting-edge mobile technology extensively and Latin America is catching up quickly.

Facebook also has helped define where social networking Websites and mobile can meet, says Geoff Melick, senior VP, managing director at Kinect.

“People ‘friend’ others or update their personal information without actually going online,” he says. “Social media, such as Facebook, have extended to a much broader audience past the ‘traditional’ Web browsing people do on their phones or other mobile devices.”

Other countries, such as the United Kingdom, the Philippines, and Asia use text messages far more than Americans.

Obviously the onset of Internet-enabled multimedia devices, such as the iPhone, have helped to boost the mobile trend, but the fact that most cell phones are now designed to easily accommodate texting also is a contributing factor, says Robert Flynn, CEO of Pulse Media Response.

“QWERTY phones and devices are currently marketed to business people as much as consumers now that the installed base has grown and it is easier to text people,” Mr. Melick agrees.

While there is a boom in mobile marketing to physicians, there certainly is not a boom in pharma mobile marketing to consumers.

**DONNA WRAY, TGAS ADVISORS**

### TOO EARLY FOR THE BAND WAGON?

With the growing consumer acceptance and the worldwide proliferation of mobile devices — there are more cell phones than people in some countries — mobile marketing might seem like a no-brainer to pharma brand teams. But not everyone in the industry thinks mobile marketing is worth the investment. Consumer resistance to spam, privacy, and low opt-in rates could all jeopardize adding mobile to the marketing mix.

Mobile marketing to consumers is still too

risky for pharma to warrant the investment, says Donna Wray, management advisor, TGAS Advisors. According to Ms. Wray, fewer than 10% of TGAS Advisors’ benchmark brands are using cell phones and PDAs to reach consumers, and those that have tried the medium



### MOBILE BEST PRACTICES AND TIPS

**FOR PHARMACEUTICAL COMPANIES THAT ARE READY TO VENTURE DOWN THE MOBILE PATH, MICHAEL DEVLIN, EXECUTIVE VP AND MANAGING DIRECTOR, CONSUMER, CONCENTRIC PHARMA ADVERTISING, HAS SEVERAL TIPS FOR MARKETERS.**

#### TIP NO. 1

Look at the overall objective: Who are you trying to speak to? What kind of dialogue are you looking to spark? Is this brand relevant right now to your customers and community, and if so, how do you deepen that awareness? If not, how do you spark that connection? Mobile marketing used to be a nice-to-have option and was added if there was money available, but if the budget got cut, it was the first to go. In the coming year, mobile marketing is expected to become a permanent option. Eventually, it will command a piece of the budget. The commitment level is deepening and companies now really need to make mobile fit into their overall plans.

#### TIP NO. 2

Use mobile to supplement other efforts. DTC can only take a brand so far. And not every company has DTC money, so mobile is a great way for a brand to create a personal connection with someone. Companies are finding that the value of digital and mobile media is a lot more than branding awareness. The media and the way people are interacting with media have changed so drastically that today it’s all about providing multiple channels and giving consumers as many options as possible.

#### TIP NO. 3

Dig into the target market: Who are they? Where’s the best place to have a conversation with them? And determine how the audience is utilizing media.

are less than satisfied with the results.

"I can't recommend mobile marketing for the consumer side this year," Ms. Wray says. "Sure, people do opt in to compliance programs all the time, but they do that for information, not for refill reminders. In my experience, e-mail refill reminders are cheap to implement, but often less than 2% of visitors to a Website will opt in. Since cell phone reminders would be more intrusive, I would expect the opt-in rate to be miniscule."

ROI models suggest that even if opt ins were at a meaningful level, half of prescription brands would not see a positive ROI for this channel, according to TGaS Advisors benchmark results.

A mobile device is another channel in multi-channel marketing that pharma can use to achieve the strategic objectives of a brand. But not all brands have a viable mobile opportunity. Mobile is not like a Website; not every brand has a mobile marketing plan, Mr. Melick cautions.

"The types of products that may benefit from mobile marketing are those that target chronic conditions where daily or near-daily compliance is necessary or where patients must take multiple pills per day," he says.

Reaching physicians with mobile messaging is a different story: 58% of TGaS Advisors' clients use mobile means to reach physicians, up from 40% in 2007 and 29% in 2006.

"On the healthcare provider side, PDAs are a popular channel and acceptance is really picking up, even though it is a fairly mature channel," Ms. Wray says.

Since the pharma industry has had to restrict personal promotion to physicians, the PDA provides an alternative, yet direct channel to the physician that cuts through the clutter, Ms. Wray says.



Mobile is both contextual and immediate; it needs high amounts of relevance to the consumer and usually requires near-immediate action by the recipient.

**GEOFF MELICK, KINECT**

## MOBILE ADVERTISING SPENDING WORLDWIDE BY FORMAT, 2007-2012

YEAR	MOBILE MESSAGING ADVERTISING*	MOBILE DISPLAY ADVERTISING**	MOBILE SEARCH ADVERTISING ***	TOTAL
2007	\$2.56 billion	\$52 million	\$83 million	\$2.7 billion
2008	\$4.2 billion	\$142 million	\$244 million	\$4.59 billion
2009	\$6.44 billion	\$338 million	\$597 million	\$7.38 billion
2010	\$9.2 billion	\$629 million	\$597 million	\$11.8 billion
2011	\$11.96 billion	\$945 million	\$2.34 billion	\$15.25 billion
2012	\$14.17 billion	\$1.2 billion	\$3.77 billion	\$19.15 billion

Note: numbers may not add up to total due to rounding; \*Spending on placement in text messages includes direct spending on message campaigns as well as spending on promotional coverage of end-user messaging costs; \*\*Spending on display banners, links, or icons placed on WAP, mobile HTML sites or embedded in mobile applications such as maps or entertainment services (i.e. games, video); \*\*\* Spending on sponsored display ads and text links that appear alongside mobile search results, as well as spending on audio ads played to mobile phone callers making a directory inquiry.  
Source: eMarketer, New York, March 2008. For more information, visit emarketer.com.

## U.S. WIRELESS USAGE

MONTH	NO. OF WIRELESS SUBSCRIBERS	WIRELESS PENETRATION (% OF U.S. POPULATION)	MONTHLY SMS MESSAGES	ANNUALIZED YEARLY SMS MESSAGES
June 2007	243.4 million	81%	28.8 billion	240.8 billion
June 2005	194.4 million	66%	7.2 billion	57.2 billion
June 2000	97 million	34%	12.2 million	N/A

Source: CTIA-The Wireless Association, Washington, D.C. For more information, visit ctia.org.

She views the ubiquity of cell phones as a plus, and says eventually using the medium to communicate with consumers will be effective.

"The consumer packaged goods industry is experimenting with delivering coupons over the phone and free trial offers or ongoing coupons through CRM programs," she says. "When big pharmacy chains get involved in these programs and work out all the bugs, I can envision how this would be a good strategy for pharma, but that probably won't happen until after 2009."

"I'm pretty sure in two to five years things are going to be dramatically different," Mr. Flynn says. "U.S. mobile advertising is expected to grow to \$4.7 billion by 2011. This year, companies are starting to test out mobile and text short code responses. I believe there will be more growth on the advertising side with reminders and motivational messages."

Even in the first few months of 2008, there has been a huge groundswell of interest compared with two years ago when the main focus was the Internet.

"A more multichannel approach is the new area of focus for pharma," Mr. Davis says.

Mr. Davis predicts that in five years more people will be accessing the Internet from their cell phones worldwide. Website content and design will be created around the use of cell phones and reminders will be driven from central Web services. Within 10 years, he surmises, patients may be monitored through



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*Right place, right time.*

medical lifestyle devices incorporated into their cell phones. There will be a lot more push to the Web and a redesign of Websites to accommodate more free-flow browsing from mobile phones.

According to Mr. Flynn, the pharma

industry should start investigating mobile marketing now. In these early years, a pharmaceutical company can get some low-risk practice while it gears up for a larger adherence campaign. Also, as part of the overall marketing campaign, marketers can use short



The benefit of text messaging is that it is personal and subtle and can provide a prompt to patients at the time they need it. If patients are supposed to take their meds at lunchtime, their phone will beep at lunchtime, no matter where they are in the world.

**TIM DAVIS, EXCO INTOUCH**

codes to complement print, radio, and television ads, which could create a nice lift in response rates.

Mr. Flynn says the early adopters in the industry are still discussing patient adherence programs more than ad response campaigns.

"We spoke with all the major pharma companies and we were expecting them to start to use mobile marketing as an ad response tool, since so many of their radio and print ads are response-driven messages that send people to a URL or a toll-free number," he says. "But to my surprise, most companies are looking for mobile adherence and retention programs."

Mobile marketing is a perfect fit with adherence and retention programs, says Mike Devlin, executive VP, managing director at Concentric Pharma Advertising.

"The pivotal decision for pharma is how to figure out ways to help patients stay on track, when every patient has different motivations and needs," he says. "It's all about recognizing that people want information that is personal to them, and health is as personal as it gets, and they will want it wherever they are. That means delivering information to their hand-held device or phone. People with healthcare issues need ideas and mentors to connect with during treatment, and mobile technology allows this interaction."

Mr. Davis says receiving important medication or health information on a cell phone can be more beneficial for patients trying to

## Sound Bites From The Field

**PHARMAVOICE ASKED EXPERTS TO DISCUSS HOW MOBILE MARKETING WILL GROW ON THE CONSUMER AND PHYSICIAN SIDE, AND WHAT THEY BELIEVE IS THE BEST USE OF MOBILE MARKETING.**



**MEREDITH ABREU RESSI** is VP of Research at Manhattan Research, New York, which conducts syndicated market research surveys among physicians and consumers.

For more information, visit [manhattanresearch.com](http://manhattanresearch.com).

"As the use of cell phones and other mobile devices becomes increasingly ubiquitous, many companies are starting to consider content and promotions that take advantage of this new medium. We know that the top five cell phone consumer activities are: take or receive a photo; text message with friends or family; play games; download ringtones; and receive a text message from a business.

Fewer than 20% of consumers who own a cell phone or other mobile device have accessed the Internet through their mobile device, but this is a market that is expected to expand in the years ahead. So while we are in the early stages of consumer readiness for certain types of mobile applications or promotions, it is a platform marketers are wise to continually evaluate as the market matures.

Among the 50% of physicians who own a PDA or smartphone, the drug reference database is certainly one of the top professional activities physicians conduct on their mobile device. As devices become more advanced, physicians are starting to conduct more advanced activities on these devices. For instance, about one-quarter of device owners have done some sort of CME on their PDA. As devices and physicians' savvy with technology become more advanced, there will certainly be new opportunities for companies to leverage

new means of pushing content to physicians. Although mobile Internet use is still a relatively advanced activity today, this is a market that is expected to grow in the coming years."



**BENJAMIN LEI** is eMarketing Group Manager at Genentech, South San Francisco, Calif, a biotechnology company that

uses human genetic information to discover, develop, manufacture, and commercialize biotherapeutics that address significant unmet medical needs. For more information, visit [gene.com](http://gene.com).

"We have not attempted any DTC type of communications via mobile devices, nor would I say we know much about the potential opportunities. My perception is that most consumer types of messaging would be more intrusive than what are available to physicians. There are good uses of mobile for certain audiences and certain marketing objectives. In our experience, we've had the most success around quick news hits such as label updates or Dear Doctor Letters. I'm much more skeptical about the ability to have a rich interaction over the current formats available to pharma.

For most of what is being done in this space currently, pharma marketers need to take a deep look at the metrics and decide what they are willing to invest on a cost-per-interaction basis, knowing that each interaction is usually a very brief one.

I am, however, bullish on the future, especially as devices with touch screen and video capability like iPhones are opening up their development platforms."



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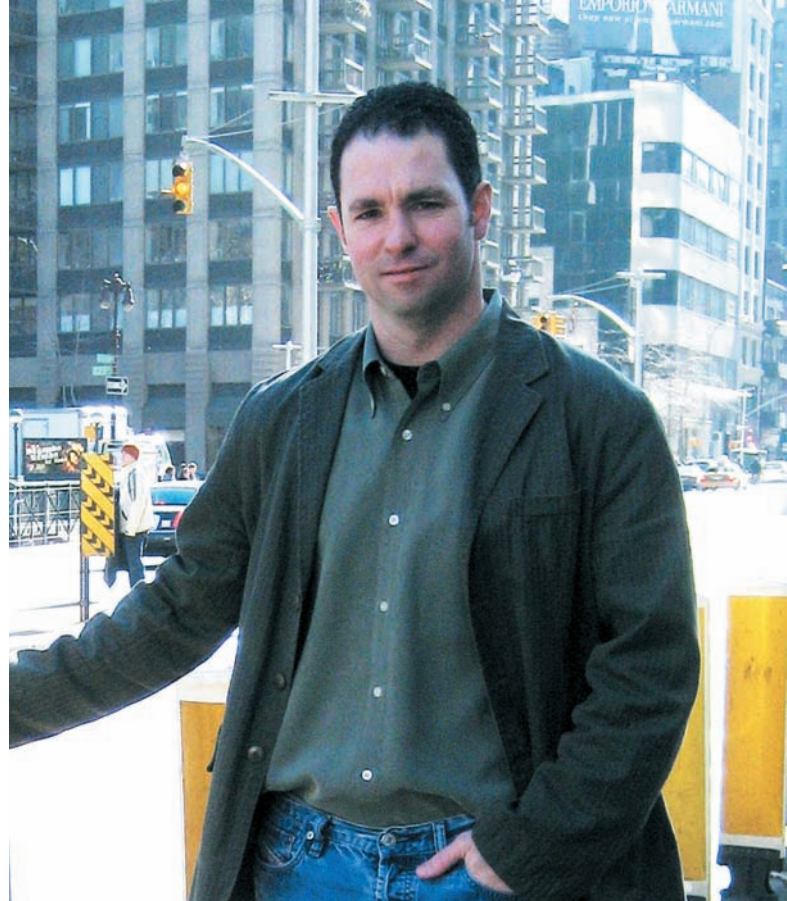
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When we look at what companies like ESPN and Starbucks are doing in terms of alternative marketing, using short codes and text messaging, it's much more advanced than what pharma is doing, but that is where most advertisers will be in the next 18 months.

**ROBERT FLYNN**, PULSE MEDIA RESPONSE



Two years ago digital and mobile were part of the conversation but they were not acted upon. A year ago, the industry started to do much more dabbling, and today the dialogue really is changing.

**MICHAEL DEVLIN**, CONCENTRIC PHARMA

learn about their disease or treatment since heavily branded Websites can be a turnoff and often patients don't read product information leaflets because they are too wordy.

"If, however, we can provide short bursts of information at the right time when patients are taking the medication they are able to understand and digest the information more readily," Mr. Davis says. "One of the more important elements of the process is to use mobile marketing as a way to draw people back to a well-designed Website. If a pharma company is engaging patients in a conversation on their cell phones, then it can easily send the Website address to access more information."

But the message needs to be relevant, Mr. Melick says.

"The changes we are witnessing in DTC text messaging programs mimic what has taken place in consumer text messaging," he says. "When first introduced, DTC text messaging was expensive. Cost was assigned each time a message was received. As use of DTC text messaging increases, fee-base charges will decrease and there will be special packages and unlimited usage offered. There are limitations to DTC text messaging, because if the message delivered is not appropriate or unwarranted, it could do more harm than good."

Another opportunity for mobile marketing in the future is for point-of-action assistance to patients, Ms. Wray says.

For example, if diabetic patients are shopping at the supermarket and are wondering if a product is appropriate they could access the Internet through their phone or read a shelf talker that directs them to punch a code into their phone to receive the information they need.

Ms. Wray believes, however, that these avenues are in the distant future for pharma companies.

"As devices such as the iPhone gain more traction it will be worth developing these types of programs, but now companies would have to invest so much for a small segment of the market that the cost benefit isn't there," she says. "A few early adopters might get some good press, which is an advantage in itself."

## TAKING THE EARLY LEAD

A few early adopters have received some press. For example, in 2006, Pfizer sent text messages to consumers offering mobile coupons for a free trial of Lipitor. That same year, Johnson & Johnson invited MTV Music

Award viewers to text in a code to vie for a trip and to receive a coupon for a free trial of Acuvue. In 2005, Novartis developed an alert service to help hayfever sufferers by texting daily pollen counts to their phones. The alert service was to support and promote the launch of Aller-eze nasal spray and eye drop products. Currently, Bayer is working with Concentric Pharma Advertising on a mobile marketing plan.

While Mr. Devlin of Concentric agrees with Ms. Wray's assessment that currently there is not a prolific use of mobile to reach consumers in pharma, he says many pharma companies are becoming more interested.

"Every client is interested in mobile marketing and is asking how to do it," he says. "Many are considering small pilot programs and are assessing their overall campaigns to see how mobile fits in. Once technology catches up, U.S. consumers will become as heavy users of mobile information as physicians have been with their PDAs."

Mr. Davis warns, however, that marketers need to be aware of using mobile marketing for the sake of using it — there are times when it may not be effective or could even incur some negative results.

“Best practices very much depend on the product; if we were working on a late-stage cancer product then text messaging would not be appropriate,” he says. “However, for other products, service alerts and reminders may be a good fit. The benefit of using mobile is that any cell phone around the world can receive a text message or send one. It doesn’t require any software or hardware device, a connection to the Internet, or any special subscription.”

Mobile marketing provides one of the lowest common denominators, and it is a good way of engaging with people, but it does depend on the product being marketed, Mr. Davis notes.

“There are three important factors that companies need to think about: the product, the therapeutic category, and the age of the patient,” he says. “There may be regional variations as well. There are hot spots for this kind of technology. To get the best ROI, marketers need to be able to reach their consumers and patients.”

Mr. Flynn advises pharmaceutical marketers to open their minds to the mobile

option and determine how it can work best with their brands.

“Mobile marketing is not as risky a venture as a lot of marketers perceive it to be,” he says. “This is simply a different entry point for all the other forms of communications and a different way to spend advertising dollars. It needs to be used to start a conversation; people won’t spend 20 minutes text messaging, it is just a convenient way to start a conversation about the brand, then leverage the other ad assets”

“On the adherence and the retention side, the whole reason to have a relationship is to build confidence, trust, and loyalty with consumers,” Mr. Flynn continues. “If patients are willing to receive text messages and engage with the brand in this way, then pharmaceutical marketers will go a long way to build that relationship.”

In the future, mobile devices will incorporate graphics, pictures, videos, etc. This may also pave the way for additional marketing and branding, and may provide opportunities to download proprietary content related to specific treatments with attached promotion-

al messages. Marketers should look at mobile marketing as an extension of the Web, which is still being used as a primary information resource. ♦

PharmaVOICE welcomes comments about this article. E-mail us at [feedback@pharmavoiced.com](mailto:feedback@pharmavoiced.com).

## Experts on this topic

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## PFIZER’S MOBILE MARKETING CAMPAIGN

**IN 2006, THE PFIZER LIPITOR BRAND TEAM AND ITS MOBILE AGENCY IPSH! USED MOBILE COUPONING TO ENCOURAGE TRIALS AMONG AN OLDER AUDIENCE, WHICH HAD NOT RESPONDED TO TRADITIONAL DTC EFFORTS.**

The campaign reached out to potential customers at the doctor’s office. To extend the reach of its marketing efforts, Pfizer displayed posters advertising the Lipitor drug in 20,000 doctors’ offices in the United States. By advertising mobile in traditional print media at a relevant location, Lipitor successfully connected with older consumers who were not mobile early adopters.

The program offered a free Lipitor trial. Consumers dialed the advertised number to receive via text message a mobile coupon for a free 30-day prescription. Consumers then showed their mobile coupon and prescription to their pharmacist to redeem the trial offer.

The campaign also used nonintrusive tactics of engagement. The phone opt-in meant that only interested consumers received the Lipitor text.

The case study results conclude that marketers can reach baby boomers and seniors through text messaging. While only 66% of consumers with high cholesterol have mobile phones — a lower penetration than the general population — many are accustomed to using online channels to learn about treatment. Forty-seven percent have researched a medical condition, and 38% have researched a drug online. Brands that want to incorporate mobile into boomer- and senior-directed campaigns need to anticipate a lack of familiarity with texting and other nonvoice communications. Pfizer arranged for live operators to speak to consumers who were unable to access or receive the text message. Overall, integrating mobile with offline media at the moment of truth improved response.

Source: Forrester Research, Cambridge, Mass. For more information, visit [forrester.com](http://forrester.com).