

▶ Insights from the C-Suite: Advertising Agencies

The explosion of digital and other multimedia opportunities are expanding the available communications channels for brand promotions and communications. As a result, advertising agencies are taking appropriate measures to evolve with technology advances and a changing marketplace to meet their clients' needs.

According to a recent report from Manhattan Research, more than half, or 51%, of online U.S. adults (ages 18+) use pharma-sponsored digital resources, such as condition and treatment information, disease management tools, doctor discussion guides, or mobile apps and websites. Additionally, these resources are strong drivers of action — 43% of consumers using pharma-sponsored digital resources have discussed prescription drugs with a doctor, nurse, or pharmacist as a result. Furthermore, reliance on pharma-sponsored support is even more common once a consumer is suffering from a chronic condition. For example, 75% of angina patients and 68% of rheumatoid arthritis patients use these types of digital resources.

While advertising and brand communications remain paramount to product success, the marketing vehicles continue to multiply and advertising agencies are evolving to keep abreast and ahead of their clients.

KEN RIBOTSKY

President and CEO

The Core Nation offers companies and their brands comprehensive business strategies and solutions.

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Ken Ribotsky

approach, but it's asking too much of a banner ad to tell the full brand story. Not every tactic can be all things to all people. Highly specific tactics, however, can and should play a role in a well-orchestrated, strategically deployed campaign that creates a surround-sound environment in which the full story does resonate.

ALEXANDRA VON PLATO

Co-President and Global Chief Creative Officer

Digitas Health is an interactive marketing agency catering exclusively to healthcare and pharmaceutical companies.

▼ For more information, visit digitashealth.com.



Alexandra Von Plato

One of the biggest challenges facing the digital and interactive advertising industry is the assumption among brand marketers and some agencies that digital is all about direct marketing and not about branding.

As media channels continue to blur, marketing strategies will increasingly focus more on customers and less on channels. In the post-digital era, the ability to build brands based on deep customer insights

and to engage with customers across channels over time will trump digitally focused expertise.

The relentless drive for measurability of one metric has become the Achilles' heel of digital marketing. The click-through mania that has driven digital performance management for over a decade has neatly provided brand marketers with an excuse to relegate digital as a direct channel. Both agencies and marketers have followed this bread crumb trail, and along the way failed to describe and exploit the real power of digital to build brands.

Along with missing the boat on branding, the death of the click itself is driving an untimely de-prioritization of digital marketing spend. The irony here is far from subtle. At a time when we all know that consumers and HCPs are relying more and more on digital content, connection and community to make healthcare and treatment decisions, studies show that increasingly digitally savvy people actually click less frequently on promotional material and the tendency to click is decreasing. The fact that consumers are actually relying on digital more and clicking less presents a real dilemma for an industry that built much of its value proposition on clicking.

The digitally sophisticated agencies and marketers who will prevail in the new post-digital era will be the ones who break free from the confines of digital and create new customer-centric strategies where brands and customers flourish together.

FRANK X. POWERS

Co-President and Global Chief Creative Officer

Dudnyk is an independent full-service advertising agency serving the pharma, biotech, and medical device markets with bold brand solutions.

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Frank Powers

Maintaining and driving a culture of innovation in the midst of conservative or vague regulation is the biggest opportunity and challenge that medical marketing agencies face in today's environment.

Our goal as an advertising agency is to deliver to clients differentiated thinking that will bring about a desired behavioral change in an identified target audience. Achieving this goal takes the right mix of people, skill sets, and rewards. Certain organizations cringe at the thought of trying something new — that is, at distinguishing themselves from the competition. Such wariness is to be expected, though, because change can be scary. Still, as the marketing partner, we owe clients our best, most insightful thinking. Only then do we bring value to our client relationships.

Often, these ideas don't have preexisting analogues in our space, which is really the point — to generate disruptive, nontraditional thinking. As healthcare marketers, we have for too long operated in a bubble, but this is changing daily as patients take more control in their healthcare journey. Digital channels have empowered the consumer, patient, and HCP to play different roles in the healthcare ecosystem. Acknowledging this change — embracing the new tools for success and having smart people driving innovation — is now what is needed for an agency to exist, succeed, and thrive in the new world order of advertising agencies.

ED MITZEN

Partner

FingerPaint Marketing

is an employee-owned, fully integrated marketing agency.

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Ed Mitzen

The biggest challenge facing healthcare advertising agencies today is to keep talented advertising personnel from abandoning pharmaceutical advertising and bolting to other industries.

If recruiting talented creative minds to pharma advertising was difficult 10 years ago, think about it today. Drug companies are commoditizing advertising, often selecting the lowest bidder versus the agency with the best creative talent. There are a low number of truly revolutionary products being launched today compared with 10 years ago. Pharma has been slow to adapt to the digital world, primarily due to huge salesforce overhead expenses, as well as FDA vagueness on the social media rules of engagement. Creating a salesforce iPad app is a far cry from truly embracing the power of digital marketing.

The answer to attracting and retaining awesome creative minds lies in a company's culture. Successful agencies must focus on doing great work despite the roadblocks in front of them each day. A positive culture and work environment are also critical to success nowadays. If agency man-

agement isn't consistently looking for ways to recognize, reward, and build camaraderie among the staff, the agency will soon be an also-ran in the industry. Today's advertising people want to be challenged, empowered, and valued.

JOE DALEY

Group President, North America

GSW Worldwide, an *inVentiv Company*, is a full-service healthcare advertising agency.

▼ For more information, visit gsw-w.com.



Joe Daley

A key challenge that we, as marketers/advertisers, need to embrace is transformed customer expectations of what a brand should be and, maybe more importantly, what a brand should do.

Customers now believe that brands should follow them vs. the other way around. They have fundamentally changed their migratory patterns.

The current mindset we still run into is: "let's cut back on the traditional spend — though keep enough there in case our customer shows up — and spread it across all these sites, microsites, social media, online video channels, event sponsorships and pro bono — we are bound to hit him or her somewhere."

But being "everywhere" is nowhere to be. And that's where the opportunity lies for marketers.

We have focused on one major mindset shift, namely, don't find your customer. I know, it sounds counter to all logic and convention, but as an advertiser make your customer want to find you. Create content, an experience for your brand, which your customer will want to get involved in. Move from interruption to invitation, based on the why, the higher cause of the brand's mission.

Friends, family, and co-workers will find the brand. We live in a connected world. And we get a lot of our information about what we buy from those we know and trust. Marketers need to start to realize that they don't have to hit the bulls eye to win. They just have to reach their customer's interconnected world — and that's a wider audience and an easier audience to hit.

In the current advertising mindset, we have to keep finding our customer over and over again, because the traditional communications approach is a start-and-stop model. Our opportunity is to make sure that we always stay on our customer's radar. This is where the endless brand experience becomes so crucial.

Customers are changing the game, so we have to shift our mindset to change the way we connect and build relationships.

RENEE WILLS

General Manager

ICC Lowe Trio is a full-service healthcare communications agency.

▼ For more information, visit trio.icclowe.com.



Renee Wills

In the world of pharma agencies, our biggest challenge has become our biggest opportunity: it's all about engagement. It's more challenging than ever to connect brands with providers who are continually changing and evolving the way they seek and acquire information. And that's a fantastic opportunity for agencies: to help shift the paradigm away from old-school, one-way vehicles, and rote-message repetition to more engaging communications based on segmentation, context, and dialogue.

Our clients are increasingly relying on us for the value and flexibility of digital engagement vehicles to help them forge stronger, richer connections with healthcare professionals. These tools deliver messages that not only keep brands in mind but in context, so across the spectrum of communications, brand messages are not only intimate, but they're location- and audience-specific. Essentially, the most relevant message gets delivered to the most specific customer in the most persuasive way and at the most opportune time.

Several things have changed in pharma communication: the metrics of success, the need to be nimble, and the demand for great ideas. We're still about leveraging customer insights to fuel a convincing strategy and inform the relevant expression of a killer brand promise, but now we're helping decide where and how that promise gets expressed, based on where the customer is in the decision-making cycle, both physically and intellectually, and building deep brand loyalty and trust. Agencies can find opportunity in the challenges, by not only adding value, but giving brands — and their companies — meaningful competitive advantages.

HENSELY EVANS

Chief Strategy Officer

imc² health & wellness works across channels — digital, emerging, and traditional — to help build brands.

▼ For more information, imc2healthandwellness.com.



Hensley Evans

We believe that the single biggest opportunity for marketing agencies is to help clients play a key role in helping support healthier behavior overall.

We believe this can be facilitated by helping them move to a model of purpose-driven marketing.

The companies that embody a purpose-driven approach, such as Southwest Airlines, Starbucks, Whole Foods Market, and Apple have more engaged employees, loyal customers who serve as advocates, and financial returns that are the envy of their competitors. Although it may seem as though a purpose focused on improving health is almost intrinsic to healthcare companies, few players in the space are truly purpose-driven.

As blockbuster brands lose patent exclusivity and pharmaceutical companies start to seek new commercial models and different ways to participate in the healthcare system, focusing on purpose becomes critical. Brands that seek to deliver — and can demonstrate — improvements in health outcomes will gain back some measure of consumer trust, become valued partners in supporting HCPs in shifting to a value-based reimbursement system, and create demonstrable benefits for payer and retail pharmacy partners.

Making this shift comes with significant challenges to the traditional model of marketing. Introducing additional KPIs beyond new prescriptions and total prescriptions is often difficult. There are few established benchmarks or ROI models for programs focused on outcomes, which can sometimes make it more difficult to justify investment. Finally, focusing on outcomes tends to require more integrated, programmatic approaches, rather than a group of linked promotional tactics.

MICHAEL ZILLIGEN
President

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Specialty Marketing,**
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CommonHealth
Worldwide, is a
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Michael Zilligen

Leveraging customer knowledge and analytics to drive global behavioral changes is one of the challenges.

Clients and agencies alike are challenged with shrinking budgets. That's why today it's not enough to just focus on making an indelible global impression; we also need to prove it through tangible and business-centric analytics.

With multiple stakeholders to consider, we start by focusing on just one: the customer. "Customer at the center" is now embedded in our vocabulary, and it's critical that agencies leverage customer knowledge (e.g., the customer journey) to help

drive appropriate use in the market and value. By doing so, we can ensure that the customer at the center is not just a fad or a buzz phrase, but rather an indispensable part of the process.

Once armed with this knowledge, the role of the agency partner becomes to challenge clients and its teams to create innovative solutions that are connected, provide a superior customer experience, and form partnerships. While this has always been a challenge, it is now an expectation. Often layered onto this challenge are strict budget constraints, which force clients to make difficult investment choices on resource allocation.

Fortunately, the implementation of analytics can inform resource allocation by bringing the necessary degree of quantitative rigor to the marketing effort. This ensures that business goals are met and that the desired behavior shift truly occurs. With the right analytics, recommendations for optimization can be made in real time.

Suddenly, it's not just about the big idea but about testing how the idea is doing, learning what modifications are needed along the way, and the sometimes instant insights that can drive and justify future investments. Clearly, more than ever, creating value begins by demonstrating it.

PAUL JOHNSON
Senior VP, Managing
Director of Client
Services

**Palio, an inVentiv
company, is a full-
service healthcare
communications
agency.**

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Paul Johnson

The days of multi-million dollar advertising retainers are mostly over. As the mega-blockbuster brands give way to generic competition, our client mix has shifted from primarily big pharma clients to small- to medium-sized pharma and start-up companies. Our start-up clients have taught us some important lessons about managing resources by being myopically focused on achieving strategic objectives. Without expansive brand teams, these clients are typically two- to four-person teams responsible for extensive marketing, manufacturing, and distribution operations. Due to time and resource constraints, we have learned to focus. Their goal is to be relevant in those channels that are most meaningful to their target customer and forget the rest. Forgoing the expensive, three-city positioning research with physicians in favor of a more streamlined approach can save both time and money, and still gives clients some data to help them reach a decision for their communication platform. Choosing to engage a target customer through digital media may allow mar-

keters to create a meaningful dialogue unachievable through traditional print media and save millions of dollars.

AL TOPIN
President

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Al Topin

As far as challenges agencies find themselves up against today, pick one: the communication landscape that's new every few months, or at least people claim it is; the FDA that continues to feel more restrictive every day; clients that are watching and waiting for healthcare reform fallout; and so on.

But the one challenge that probably doesn't get talked about openly very often is the shrinking role or marginalization of the agency of record. Every year we seem to have to fight a little harder to get a seat at the strategic table, justify budgets a little more loudly, and defend our plans with a little more zeal.

Why is this? It's probably a combination of forces both on the agency and client side. First, many agencies today are in the middle of an identity crisis: are they a traditional shop, a digital shop, or both? Are they well-versed in paid vs. earned media? Have they tackled content marketing yet? Being keepers of the brand has gotten a heck of a lot more complicated in the past five years. If agencies don't know who they are anymore, they certainly can't expect clients to.

Part of the issue is also the changing nature of client teams. Brand teams are getting younger and younger, with limited experience working with agencies and a limited understanding of the investment it takes to build a successful client-agency relationship. Agency relationships used to be kept at the top. Now it seems they get delegated down, which means less agency access to senior marketing and senior management.

And we can't deny the role budgets play in the role an agency plays. An agency whose strategic input and staff are valued and compensated accordingly will play a larger role with the client team, and the brand will benefit. An agency that is constantly defending estimates and justifying head counts in meetings probably won't.

Bottom line, it's up to agencies to figure out how to play the role they believe they are meant to. And it's up to clients to realize that a good agency's value goes beyond being able to turn around on a dime or deliver good work with limited budgets. Simply put, it's about building value for a brand — something that should never be marginalized. **PV**



So what does it mean to be Fusionary? It means never chasing the newest shiny thing for the sake of looking trendy. Instead, our digital core gives us the ability to leverage emerging technology to solve the complex business challenges that strengthen the brands in our care. That's what it means to be Fusionary. Our unexpected combinations of talents and skills converge to build brands that thrive in this rapidly evolving marketplace. Experience it at bluediesel.com.