

Outcomes, Collaboration, and Digital ARE LEADING TO A NEW ERA IN MARKETING

Patient-centricity is replacing product-centricity

as companies adapt to new business models that have them moving “beyond the pill.”

According to estimates from PwC, the United States is struggling to foot a healthcare bill that touches \$2 trillion.

Furthermore, because the system will no longer be able to manage such an astronomical number and pharmaceutical companies will no longer be able to count on “big ticket” sales, there will be a push for companies to differentiate their medicines from those of their rivals, demonstrate value for money, and contribute to the overall improvement of human health.

This movement encompasses the concept of offering services that address stakeholder needs along the patient journey, leading to better health outcomes while providing a source of competitive advantage and higher value to patients, physicians, and payers. Or in other words, companies have to go beyond the pill.

Analysts at Executive Insight Healthcare Consultants say pharmaceutical companies are beginning to accept the benefits of this approach and some are already starting to commit to this strategy. They say by focusing on the unmet needs of the stakeholders who regulate, reimburse, prescribe, and take the medicines they produce, companies can provide targeted solutions that both help and contribute to better health outcomes and create the optimal environment for their own products to thrive.

There is some consensus that at the center of the beyond-the-pill movement is the discipline of marketing, which makes sense as many of the types of services needed are considered marketing-type activities, as reported by Executive Insights’ Meikle Wenzela and Marc Pesse.

Pharma companies are reconsidering who their customer is — and not a day too soon. The good news is that nurses, formulary decision makers, and pharmacists are highly accessible online and recognize that pharma can add value and help them succeed in this new outcome-based world.

They report that in a recent poll related to who should own the movement, marketing received 30% of the vote, compared with 54% for the executive level, and the remainder was split between R&D, sales, and other.

There is consensus among various experts that there needs to be a cross-functional team that owns and drives this new model.

Several of our experts in this Showcase on Marketing also point to the beyond-the-pill trend and the need for a shift in business models to become more patient-centric, which includes changing how pharmaceutical companies approach communicating with and marketing to consumers and physicians.

According to Jim McDonough, director of marketing at BulletinHealthcare, several companies are embracing this new way of thinking and have begun to reposition themselves as providers of “health solutions” rather than solely marketers of drugs or devices. He says these companies are starting to position their brands as valued partners with every creative asset to drive physicians to live events, patient education and adherence programs,



MONIQUE LEVY, Manhattan Research

online counseling, formulary assistance, and audience development.

Experts across the board agree that how products are perceived must change and that pills, devices, etc., must be positioned as part of a new value equation.

Dan Sontupe, executive VP, payer strategy and market access, at The CementBloc, says to survive in the new age of healthcare, pharmaceutical brands must continue to adapt to change and instead of a product-centered focus on better formulary placement or fewer restrictions, marketers must consider value.

“Product launches will be targeted to smaller, better-defined audiences,” he says. “Brands must be included in — or at least follow — national guidelines, the sooner after

launch the better. Disease education, data collection, and patient follow-through must be spelled out. The impact of this focus on value will organically lead to a familiar goal: a robust bottom line.”

PwC analysts predict that pharmaceutical companies will seek to enhance their offerings by funding the provision of services such as compliance monitoring, home delivery, and disease management.

PwC analysts say some companies may even band together to sell bundles of medicines, including branded treatments, generics and OTC products, for specific patient segments. So, for example, a bundle of medicines targeted at patients with CVD might include a statin, ACE inhibitor, diuretic, Omega 3 oil, anti-platelet drug, and aspirin. The financial services industry already operates in this fashion, with “tied” financial advisers who can in certain circumstances market products from other providers.

But whether or not different pharmaceutical companies decide to join forces, the consolidation of the sales and marketing process should enable the industry to reduce its costs and redeploy the money it saves to further R&D or in the provision of new value-adding services.

Matt Balogh of Ogilvy CommonHealth believes that going beyond the pill is an integrated approach to individual ecosystems of adherence — eating right, exercising, tracking, informing, and more — that leverage emerging mobile health technologies, such as smartphones, personal health sensors, connected medical devices, EHR and HIE systems, enabled through coordinating superplatforms, all paired with deliberate social and support communities to create actionable, personal insights in real-time, when and where patients need them most.

Because patients will foot an increasing share of their own healthcare costs, they will play a bigger part in the sales and marketing equation.

Many pharmaceutical companies will need to invest more effort in reaching patients, and the growing emphasis on promoting wellness rather than managing illness will provide them with new opportunities for doing so — opportunities, analysts say are viewed as more palatable than direct-to-consumer advertising.

Outcomes Beyond the Clinic

As the industry moves toward a system that increasingly rewards patients with healthy habits and penalizes those with unhealthy ones, pharma companies can and, will some experts say, play a major role in helping patients by providing products and services that encourage healthy behavior. (See this month’s forum Behavioral Economics, for more information.)

Outcomes data are increasingly becoming the “common currency” across stakeholder groups in healthcare, says David Levy of IMS Health.

“Outcomes will become much more than just a new marketing lever coming into play, or an ad hoc consideration of the marketing process

as a whole,” he says. “We believe outcomes that customers — patients, physicians, provider organizations, and payers — value will become the primary building block of marketing strategies over the next few years.”

As companies begin to manage complex ecosystems and mountains of data to move beyond the pill, they are offering support in the form of better and more comprehensive product literature and marketing materials.

According to thought leaders at CMI/Compas, data don’t just improve the media planning strategy for the usual channels these information sets also improve how to optimize search and clinical content among other complementary media channels.

Because patients will need clear, accurate, and unbiased information about the treatments they take and how best to manage their conditions, if they have a chronic disease, PwC analysts say pharma can make a valuable contribution by providing access to such information either on paper or online. And, in moving closer to patients, the industry can begin to rebuild the esteem in which it was formerly held.

Thought leaders at Fingerpaint agree, stating that by supporting patients’ efforts to stay on therapy, pharma can build stronger relationships with patients and healthcare professionals and improve its image overall.

But to reach this new nirvana, the sales and marketing process will need to undergo some profound alterations.

According to PwC, with the erosion of the conventional boundaries between self-care, primary care, and secondary care, the needs of patients are shifting. Where treatment is migrat-

Companies will enhance their offerings through additional services, such as disease management programs.

ing from the doctor to ancillary staff or self-care, for example, patients will require more comprehensive information about the medicines they take, more advice, and more surveillance. And where treatment is migrating from the hospital to the primary-care sector, they will require new services such as home delivery.

Thus pharma should be focusing on the provision of a full range of products and services spanning the healthcare spectrum, and using different channels to distribute different kinds of products and services.

The effect on pharma is likely to be twofold. First, healthcare policy-makers and payers will use outcomes data to determine best practices. They will include medicines that are particularly safe, efficacious, and cost-effective

Reaching New Decision-Makers Via Digital Channels

Recent studies from healthcare market research and advisory firm Manhattan Research reveal a compelling opportunity for pharmaceutical companies to leverage digital media and online channels to reach and provide services to these emerging customers. Formulary decision makers, nurses and pharmacists are digitally savvy, are already engaging with pharmaceutical companies and indicate strong interest in support and services from pharmaceutical companies to manage their changing mandate:

- » **More than 4 in 5 hospital-based formulary decision makers** are interested in any form of ongoing support and resources from pharma, including help with such items as developing provider education materials, economic models, and patient education materials.
- » **More than 3 in 4 retail, hospital, and specialty pharmacists** have used or are interested in using online promotional activities from pharma. These include webinars, self-guided virtual details, and live 1:1 sessions with reps.
- » **3 in 5 registered nurses** expressed interest in accessing information on patient assistance programs; and links to disease sites for professionals on pharma and device manufacturer websites.

Source: Manhattan Research.
For more information, visit manhattanresearch.com



in their treatment protocols and exclude those that are not.

Extensive outcomes data would expose those instances in which a medicine works well for one patient population and not for others. And if the industry succeeds in changing its approach to R&D, and launching many more drugs with individually smaller revenue, it would also be spreading its risk to a much greater extent.

The remit of healthcare payers is growing; they are not just negotiating prices, they are starting to stipulate best medical practice — and access to extensive amounts of outcomes data will give them much more ammunition. By 2020, PwC says pharma companies will have to prove that their products really work, provide value for money, and are better than alternative forms of intervention. Companies will have to charge much lower prices for new

therapies or formulations offering only minor improvements on treatments that already exist, and even when they are marketing medicines that represent a genuine breakthrough, they will have to be much more flexible in their approach to pricing such therapies. Lastly, the industry will have to build much better relationships with the agencies that perform the health technology assessments on which many healthcare payers

VIEWPOINTS



LYNN ALTMAIER, RN, MSc
Senior Medical Writer
Artcraft Health Education

A Digital Demand

Data from the Pew Internet Project show that 80% of all U.S.

Internet users look for health information, while 46% of users self-diagnose using online forums before making medical appointments. This digital demand points to a need for content that is clear, accurate, relevant, and engaging. Patients should be guided to also seek advice from trusted medical professionals, and physicians, in turn, need to help patients find the most credible websites or apps.

Customized Content

Print media — brochures, booklets, posters — inform and educate patients, while assisting and supporting an HCP's goal to get a patient on a treatment plan, and build compliant behaviors that impact health outcomes. Customized content using digital printing technology offers a hybrid between print and digital. It facilitates personalized patient education materials, printed in a "just-in-time" manner, with counseling and adherence elements specific to the individual patient.



JIM MCDONOUGH
Director of Marketing
BulletinHealthcare

Taking Control

Traditional marketing is push-oriented and depends heavily on general awareness campaigns to disseminate one-way communications via the salesforce and

mass media. Marketers control the "outbound" message in a world of reach and frequency.

With digital, the individual is in control. Communications are interactive and occur in multiple channels and on many technology and social media platforms. Consumers "search" and brands are "found" via SEO and superior content. Meaningful engagement rules. ROI is king.

Debunking the Status Quo

Pharma media agencies can add value by convincing marketers that there is no more "status quo" in terms of messaging and tactics. With true understanding of brand objectives, media agencies can play a key role in helping to centralize ideas and solutions in a multichannel, multi-device world.

Agencies that think more holistically and employ digital show and tell so brand teams "get it" will succeed. From their media partners they will demand responsive design so communications are optimized across all devices and they will develop engagement metrics that matter.



DAN SONTUPE
Executive VP, Payer Strategy
and Market Access
The CementBloc

Creating a Value Equation

When creating the right brand value message, it is most important to think beyond the brand stakeholders and focus on the customers and how we service them. In today's competitive environment, thinking solely about a value message is a disadvantage. As marketers, we must first understand the value equation that will create

belief in our product. This equation includes clinical and economic information, but it also takes us beyond the drug to services and programs that we build to support better overall health outcomes. Once all of these elements are working together, the brand stakeholders will optimize their role in creating the equation and delivering the proper value message.



KATE ZWIZANSKI
Media Director
CMI/Compas

Brand Access

In our ever-changing environment and with the flood of new patients who will enter the healthcare system in the coming months, brand access will become increasingly important. It's not just about safety and efficacy anymore. HCPs need reassurance that brands are covered, and to provide them the patient support, resources, and tools they need to enhance medication management and adherence with patients.

Channeling the Right Channel Strategy

Channel strategy is evolving. We must first ask how the customer interacts with this channel, and then how we can construct a message to complement that interaction. Today we're leveraging technology to open up more possibilities of delivering a message that fits within the preexisting transaction of a customer. For instance, when reaching HCPs within an EMR platform, the HCP is likely with a patient while making entries into the record, so your message

will rely, since it currently has very little input into such evaluations.

Data Mining in the Digital Age

Outcomes are only part of the equation. According to recent statistics, tens of millions of patients are engaging in open public online channels and social networks, discussing their situations, treatment options, side effects, effi-

cacy, healthcare providers, lifestyle impact, costs, insurance coverage, and much more. In fact, according to Manhattan Research, almost 170 million U.S. consumers research health information online and more than 110 million seek out online information specific to prescription medication. And a growing number of these individuals are relying on open social channels to gather information and share their health experiences.

Providers of care and treatments now have the ability to mine these millions of daily conversations to personify their patients like never before. This is not a process of simply classifying posts into segments, but actually understanding the detailed insight of patient decisions, concerns, fears, attitudes, behaviors, actions, and challenges.

This intelligence is being used by health and pharmaceutical companies to craft mes-

needs to be short but relevant to point of care. It's a ripe opportunity to promote a co-pay card, formulary coverage, or a dosing guide.



KRISTIN PHILLIPS

Strategy
Fingerprint

Trust Comes First

Once passive participants in their care, e-patients are armed with not only information but also their own opinions about their condition and its treatment. They are skeptical of the healthcare system and do not hesitate to challenge their physician's recommendations or seek out advice from fellow patients to validate a prescribed regimen. As a result, marketers must earn patients' trust before they can try to influence them.



BORIS KUSHKULEY

Chief Digital Officer
Ogilvy CommonHealth

A New Digital World

The digital revolution changed the way businesses interact with their customers. Those who do it right, have replaced the one-size-fits-all-communication approach with a customized, ongoing dialogue. These days, customers are in control of the relationship.

Digital interactions have made it possible in real-time to determine which tactics work across which channels and how we can improve the engagement. The new world is different and exciting at the same time.



SHAUN URBAN

Managing Partner
Ogilvy CommonHealth
Worldwide

Value Starts in the Clinic

Creating an impactful value message starts with listening to customers and with the appropriate design of Phase III and Phase IV trials to ensure relevant endpoints are included and outcomes are generated. Operationally, the medical affairs group must include key members of the commercial team in the planning and design of these trials. For this, members from brand management, managed care marketing, HEOR, account management, and medical scientific liaisons should be included on the team.



JIM O'DEA

President and CEO, Rx EDGE
Pharmacy Networks, a
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Media

Creating a Pharmacy Impact

The act of acquiring refills and doing so with appropriate frequency is a critical step toward positive patient outcomes. When marketing programs take place in the retail pharmacy setting, matched-panel research can be conducted using pharmacy script data. By examining refilled prescriptions as well as TRx and NRx, the true impact on patient adherence behavior can be determined. Pharmacies are fast-evolving into convenient points of care through which patients are provided with the

information needed to make informed decisions about medications and tools to stay on therapy. Marketing efforts delivered in this environment are highly measurable and capable of serving many functions that ultimately lead to better outcomes: creating awareness, providing education, and delivering medication reminders. Most importantly, they can reach current and prospective patients when they are focused on healthcare and willing to take action.



TIM GARDE

Managing Partner
Star Group & Star Life
Sciences

Adoption, Revolution, and Solution

The digital revolution has improved reach and provided more precise targeting to HCPs, family caregivers, consumers, and patients. Messaging and measurement opportunities have expanded. But the pharmaceutical industry's inherent restraints have delayed a true revolution. When health communities are given the freedom to use digital communications and interact the same way as communities in other industries, they will create a movement and improve healthcare communications. This will result in increased education and improved adherence, ultimately leading to positive health outcomes. The pharmaceutical digital revolution will accelerate when health communities gain control, creating better educated, healthier and more informed patients.



saging, enhance education, improve compliance and efficacy, engage patients, caregivers and healthcare providers, identify the concerns of each and drive treatment innovation.

In 2013, 70% of physicians report that at least one of their patients is sharing health measurement data with them, according to the new Taking the Pulse U.S. 2013 study from Manhattan Research. However, the methods patients use to share their health measurements with healthcare professionals remain primarily low-tech. The most common forms used by patients are handwritten reports or print-outs of their information.

Moreover, physicians' attitudes toward patient data tracking are positive. Almost three-quarters of physicians agree that self-tracking leads to better outcomes.

"Self-tracking is already a part of the care paradigm and its prevalence is going to accel-

erate rapidly as digital connection, payment reform, and outcome-focused delivery make advances," says James Avallone, director of physician research at Manhattan Research. "We are seeing physician attitudes toward self-tracking aligning with policy, which is encouraging for all stakeholders involved."

Many leading pharmaceutical companies are shifting their sales and marketing strategies to expand their customer focus beyond the physician and the patient to include payers, nurses, and pharmacists. These emerging players have a growing influence on the medications and treatments prescribed to patients, an influence that is likely to intensify as strategies to improve outcomes and reduce

costs are implemented through accountable care organizations, formularies, and other changing dynamics of the healthcare marketplace.

Companies are shifting their sales and marketing strategies to include an expanded customer base: payers, nurses, and pharmacists.

Another recent study from Manhattan Research revealed that there is an additional compelling opportunity for pharmaceutical companies to leverage digital media and online channels to reach and provide services to these emerging customers. Formulary decision makers, nurses, and pharmacists are digitally savvy, are already engaging with pharmaceutical companies and indicate strong interest in support and services from pharmaceutical companies to manage their changing mandate.

"Pharma is reconsidering who their customer is — and not a day too soon," says Monique Levy, VP of research at Manhattan Research. "The good news is that nurses, formulary decision makers, and pharmacists are highly accessible online and recognize that pharma can add value and help them succeed in this new outcome-based world."

Thought leaders at Artcraft Health Education recognize there are many advantages to using digital as part of communications, but add that the choice of the medium should be an objective, measured decision and that above all else, that the messaging needs to be clear, actionable, relevant, and engaging. PV

Improved Data Analytics for Marketing

Tag management systems are gaining in popularity as a way to streamline the approach to tagging, thereby giving marketers more control over tags and fostering tags' role in the collection and interpretation of digital data. On behalf of Tealium, a tag management system provider, Forrester Consulting surveyed U.S. digital marketing decision-makers in May 2013 and found that more than nine in 10 said data integration was the next step in the evolution of tag management.

Among respondents who had actually implemented a tag management system, Forrester found that the greatest number, almost three-quarters, said improved analytics implementations — making digital data more digestible — was a benefit of the system. Another 69% cited better marketing agility, pointing to marketers' ability to assert more control over tagging, rather than needing to work through the IT department. Slightly fewer, 63%, cited better website performance,

Source: eMarketer

speaking to the potential to improve load times with streamlined tagging.

Among US digital marketers who said they saw tag management systems as a method to help manage data, 64% of respondents said a system's most important data capability was providing a managed service for collecting and segmenting data. Slightly fewer (60%) said the systems should be a clean source of actionable data across all touchpoints.

For those digital marketers inclined to see tags as pieces of content, and tag management systems as primarily content management systems, 74% thought ease of use was the most important characteristic of such a system.

Of digital marketing decision-makers, 18% said their digital marketing priority for 2013 was getting a tag management system. While this was relatively low on the list of priorities, it is still a sizeable enough audience that tag management systems may soon become much more common among marketers.

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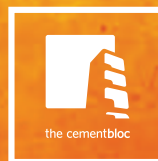


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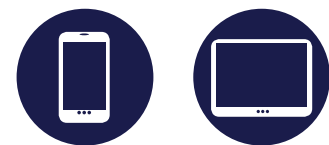


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