



Market Data / Supplier Selection /  
Event Presentations / Best Practice /  
Template Files / Trends & Innovation



# Six Trends in Pharma Marketing

Embracing Digital Transformation in  
the Pharma and Healthcare Sectors  
*A Marketer's Guide*

Created for the attendees and friends of **ePharma 2017**:  
*The Art and Science of Innovative Digital Strategy*

## The New Reality:

**Nearly everything healthcare and pharma marketers did in 2015 is obsolete. The skills and capabilities required for marketers to successfully connect with key audiences (both healthcare providers as well as consumers and patients) are completely new. Are you ready?**

## The Scoop:

Digital marketing evolves quickly.

That constant motion, coupled with radically changed regulatory requirements for healthcare providers and pharmaceutical sales teams, creates a very challenging environment for life sciences and pharma marketers to connect directly with physicians and patients.

Change doesn't stop there. Consider also the new levels of collaboration between sales and marketing teams, the impact of Millennial preferences on consumer and social marketing techniques, and the opportunities of advanced technologies in wearables, artificial intelligence and business process management.

As nearly every aspect of the marketing ecosystem changes, marketers will increasingly value the time spent learning new skills, benchmarking progress to other organizations and understanding case studies **Join your industry peers and Econsultancy at ePharma 2017 to jump start next year's success.**

In preparation, take a look at the attached detailed findings of our "**Embracing Digital Transformation in the Pharma and Healthcare Sectors**" report. You'll find lots of benchmarking data to help you plan your go-to market approach. You will also find a summary of five key trends in this ePharma overview summary, giving you a number of ideas to help you take an agile, customer-centric approach to marketing.

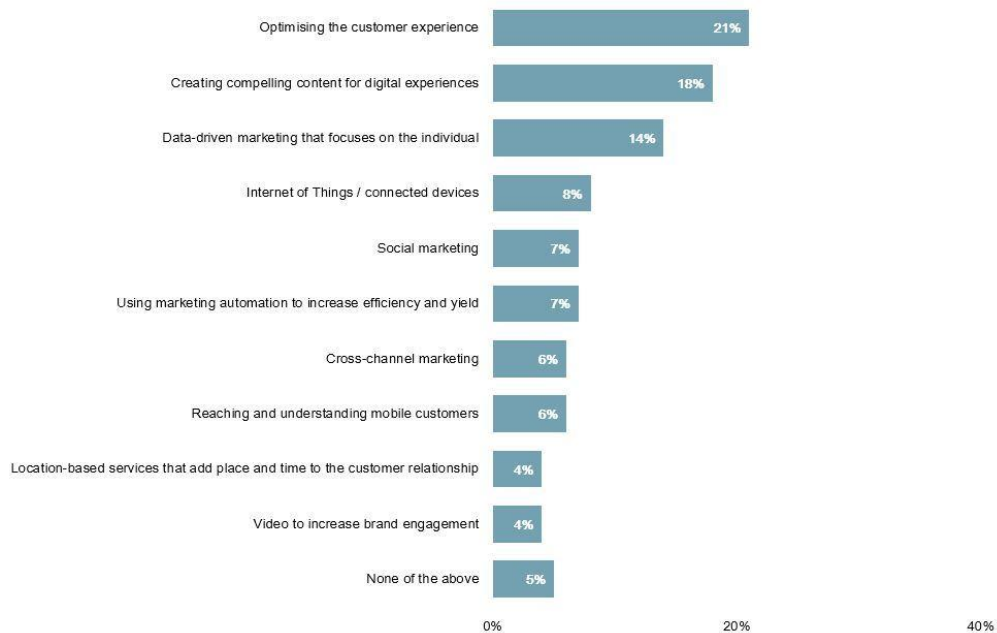
## Trend Watch #1: Consumer Behavior

Consumers are taking control over their own healthcare and driving change, preferring a more convenient way to get medical services and access information. Consumers increasingly expect the same level of experiences from every brand, whether it is digital trend setters like Amazon and Apple, or healthcare providers and pharmaceutical firms.

However, the healthcare industry lags behind this consumer behavior. According to [Deloitte Consulting](#), healthcare and pharma marketers spent just \$1.4bn on digital ads, trailing other industries.

One consequence of this digital underinvestment is that third parties have become the go-to resource for consumers and physicians looking for healthcare information online. While some of those third party content sites have amassed large audiences, and can be great partners, they can also become more trusted and valued than the manufacturers themselves.

There is a great need to focus on customer experience, particularly in terms of encouraging movement along a relationship journey, from awareness to conversations with the provider/patient to script writing. Most companies are looking at how digital marketing can improve the relationship their sales reps have with providers and physicians, and how they can impact the experience for the end consumer or patient.



The largest number of respondents in Econsultancy's latest survey of healthcare and pharma, just over a fifth of the total, said that customer experience represents the single most exciting opportunity for their organization to deliver on their priorities for 2016.

*Which one area is the single most exciting opportunity for your organization in 2016?*

Survey respondents emphasized the importance of developing and strengthening relationships with customers and looking at ways to provide added value services and the role that digital could play in supporting this. For many companies, this understanding is still focused on customer journey mapping to understand the touch points and the experience customers have with the brands and products, and how digital can improve their experience.

Respondents also talked about the challenge they were still facing around the ROI of digital and the need for new customer-focused indicators. Measuring engagement and satisfaction is becoming increasingly important to understanding the quality of interactions throughout the lifecycle.

## **Trend Watch #2: Physician Connections**

**Physicians are becoming harder to reach through sales reps, and more than half of outreach to healthcare providers is now through non-personal marketing channels.**

[According to](#) data from global sales and marketing firm ZS, the number of physicians who will meet with at least 70% of the pharma sales reps who request a meeting has dropped to 44%, down from 46% a year ago and 80% in 2008. Physicians say they spend 84 hours per year interacting with pharma firms through non-personal channels, which they estimate represents 64% of the total time they spend interacting with pharma firms.

The non-personal digital channels that are being used are primarily email and SMS alerts, but pharma marketers are also using digital display and social media to influence providers.

A physician's life can be overwhelming. According to ZS, each of the 26,000 prescribers contacted most frequently by pharma companies receive around 2,800 contacts per year from the pharmaceutical industry. That's about one contact – an in-person sales rep visit, email, phone call or other – every working hour, including weekends and holidays. And they receive these commercial messages on nearly every device, including iPads, mobile phones and laptops.

According to Malcolm Sturgis, the associate principal at ZS who led the firm's study: "To reach physicians, the pharma industry must become more targeted and sophisticated in its multichannel marketing efforts."

Interestingly, despite the fact that physicians perceive that non-personal channels account for the majority of their pharma interactions and pharma companies estimate that 52% of their outreach is through non-personal channels, budgets don't appear to have shifted. A whopping 88% of sales and marketing dollars are still allocated to sales staff.

*Think about reallocating these marketing dollars.*

Pharma marketers will also need to carefully craft the messages they deliver to physicians because of trust: according to a study conducted by Deloitte Consulting, [75% of physicians don't entirely trust information that comes from pharma](#) firms.



As physicians become harder to reach through traditional channels and take more control over their interactions with pharma companies, expect to see pharma marketers adapt by investing more in non-personal digital channels.

### Trend Watch #3: Social Media

Strict regulation of the industry’s advertising communication still acts as a motivator for the industry to be cautious with social content, yet increasing numbers of brands are taking to social media anyway. Why? Pharma, like the finance sector, has realized that there’s opportunity in engaging in dialogue with customers on social media.

The most successful pharma brands on social are the ones that focus on sharing content around the values of the company and its customers, not just on products or brands.

More generic content about conditions or wellness is not as highly regulated, either. Participating in the conversations that happen between consumers, and between consumers and their healthcare advisors, is an opportunity for pharmaceutical firms to connect directly with people who may or may not use their products.

There’s no guarantee that people won’t post content that breaches regulations, but this issue can be mitigated by ensuring that a team of people are working behind the scenes to moderate and manage the page – making sure it remains compliant.

For example, [Vitabiotics](#), which makes vitamin supplements like Wellwoman and Wellman, uses social media to raise awareness about health issues:



[Vitabiotics @vitabiotics](#)

If you're due a smear test, make sure you go along – don't be embarrassed, it could save your life. Find out more: <http://ow.ly/ZAsy300Uc5e>

[6:35 AM - 15 Jun 2016](#)

Vitabiotics also takes the opportunity to promote its brand:

[Vitabiotics @vitabiotics](#)

How great does our new Wellman ambassador [@DGandyOfficial](#) look in this campaign shot?! #Wellman#fitness <https://twitter.com/DGandyOfficial/status/740116049916506112> ...

[6:44 AM - 7 Jun 2016](#)

**@GSK uses social media to feature user generated content.**



As someone who has risen through the ranks with us, Dipal shares her secrets to success  
[#WednesdayWisdom](#)



RETWEETS 19 LIKES 29



3:45 AM - 15 Jun 2016

Similarly, [Johnson & Johnson](#) uses its social media channels to share the company's values – such as its focus on family – with its followers:



✓@JN JCares

Today we're joining policy makers & shakers @ the State of America's Fathers Summit. Follow along to join the conversation on [#AmericanDads](#).

[9:46 AM - 14 Jun 2016](#)

The industry has realized that even if it ignores social media, its customers won't. People reporting adverse reactions, for example, may not call a helpline or visit their GP in the first instance, but may take to Twitter asking "has anyone else had this kind of rash when taking @antibiotic?"

Pharma brands have realized that they can use social media without breaching guidelines, and that they need to be there because that's where people are.

## Trend Watch #4: Millennials

**They're often cited as one of the hardest groups to advertise to, but according to the sixth annual Makovsky/Kelton *Pulse of Online Search* survey, millennials are "by far the most receptive to pharmaceutical marketing."**

How receptive? According to [the survey](#) (PDF), which polled more than 1,000 Americans over the age of 18, 51% of millennials indicated that they would be motivated by a digital, television or print ad to visit a pharma-sponsored website.

That's a significantly higher percentage than Gen X and Baby Boomers, only 36% and 26%, respectively, of whom said they'd be similarly motivated.

What's more: when performing online research, millennials were twice as likely as their older siblings and parents to click on the first link in the SERPs, "demonstrating the [effectiveness of paid search](#) with this generation."

While millennials appear to be more easily swayed through advertising, pharma marketers must be aware of the kinds of content and user experiences that resonate.

Given that the pharma industry is spending \$4.5bn a year on ads, a figure that has increased by 30% since 2014, and appears to have a particularly receptive millennial audience, pharma companies are clearly missing out on the opportunity to play a larger role in the market for digital health information – an opportunity that would probably bolster the effectiveness of their heavy ad spending.

As Deloitte Consulting and the Gerson Lehrman Group noted last year when looking at pharma's mobile and social efforts targeted at physicians, pharma companies have clinical data and insights that few others have. While this content is obviously of great value to physician marketing, some of it can also be put to good use in developing experiences for consumers.

## **Trend Watch #5: Electronic Health Records (EHRs)**

Pharma companies face a number of challenges when it comes to digital marketing - but there are also unique opportunities. The advertising experts at Ogilvy CommonHealth Worldwide advise pharma companies not to overlook a potentially powerful tool for reaching physicians: electronic health records (EHRs).

Ritesh Patel, Ogilvy CommonHealth's chief digital officer, notes that EHR campaigns aren't about advertising. "It's not just about product messages, but also messages about education or pipeline drugs or presenting data to physicians, which now goes to strategy," he explained.

EHR adoption has grown significantly in recent years. According to SK&A, by January of this year, more than half (59%) of providers reported using an EHR, and in some specialties, the adoption rates are much higher.

FiercePharma's Beth Snyder Bulik, a leading pharmaceutical company used an EHR-focused campaign in an effort to make one of its antibiotics top of mind for physicians at the point of care. Beginning with 320 hospital targets, the company and its distribution partners found 192 active EHR systems users and targeted messages to them.

The results were more than encouraging. The EHR program achieved a 28% engagement rate with physicians in the first month, followed by 36% and 26% in the following two - the first three of an ongoing six-month campaign.

EHRs are assembling some large physician user bases. Case in point: when Practice Fusion, a cloud-based EHR provider, released a clinical decision support program, it "reached more than 50,000 physicians and 3.7m patients resulting in 25,000+ more patient plans, which was a five-fold increase."

There are challenges. First, there are hundreds of different EHRs today. Different EHR platforms have different capabilities, and while the industry does have standards, integration isn't always easy.



Additionally, because the content available through each EHR is generally customized for and controlled by providers, getting distribution means that marketers will sometimes have to work on a provider-by-provider basis. As with any new technology, some EHRs are experiencing growing pains.

As Deloitte Consulting and the Gerson Lehrman Group discovered, a large majority (84%) of physicians Deloitte and GLG surveyed indicated that efficacy and outcome data, as well as clinical guidelines, influence their drug utilization decisions.

Furthermore, well over half (65%) stated they'd be interested in interacting with pharma over social channels around this type of content.

## **Trend Watch #6: Content & New Ad Types Take Center Stage**

Content optimization is a top digital priority for pharma marketing, defined as the need to deliver more timely and relevant content, according to the Econsultancy report, "Embracing Digital Transformation in Pharma and Healthcare Marketing."

In fact, optimizing content was highlighted as a top digital priority for 2016 by close to a third of pharma and healthcare companies in our survey, with targeting and personalization ranked second by just over a quarter of respondents.

The choices of content and the media used to distribute them are often challenging to master for this sector. Thanks in large part to drug pricing controversies, pharma companies have found themselves under scrutiny from the public, government regulators and even physicians.

That isn't stopping pharma companies from pouring big bucks into their marketing campaigns, but increasingly, pharma marketers are turning to unbranded ads in an effort to reach consumers in a subtler way.

As STAT's Rebecca Robbins [explained](#), unbranded ads are "a stealthy and lightly regulated form of drug marketing focused on educating the public about a health condition — which the pharma company just happens to sell a product to treat."

Last month, Merck spent an estimated \$9.9m on ads to drive awareness for HPV and shingles, while Mylan spent an estimated \$8.5m on ads to boost awareness of severe allergic reactions.

Merck manufactures HPV and shingles vaccines, while Mylan is the company behind the EpiPen, which is an Epinephrine auto-injector used to treat severe allergic reactions.

While the dollars behind unbranded ads still make up a very small fraction of the \$6bn-plus pharma companies spend on ads every year, according to Nielsen, spend on unbranded ads is up 15% so far this year. This is happening while spending on traditional channels like TV is going down.

On a severe decline, TV ads are not as effective in encouraging conversations between patients and physicians. According to data from STAT-Harvard, in 2015, 21% of consumers were motivated to ask their doctor about a drug they learned about through a television ad. This year, that number has dropped to 7%.

To compound the ineffectiveness of television advertising, when many consumers go to an Internet search for topics they see on television, they are directed first to third party sites and not to the manufacturer.

Relying on physicians to carry the message of the drug may also not be as reliable as in the past. A STAT-Harvard survey conducted earlier this year found that one in three Americans blame doctors for national opioid epidemic, suggesting that physicians themselves risk losing the trust of patients as it relates to how and why they prescribe medication.

And physicians themselves are increasingly wary of pharma companies, as evidenced by the fact that the American Medical Association supports a ban on direct-to-consumer ads that pitch prescription drugs.

Since they're the only ones capable of prescribing prescription medications, this dynamic presents an obvious threat to pharma companies. So how can they address it?

Better storytelling and effective content marketing could be key to helping the pharma industry restore its reputation, but ultimately, pharma marketers will need to change the way that they interact with consumers and physicians. That could include tapping their proprietary data to supply physicians with information they're interested in. And creating content for communities of patients or care givers.