

UNBRANDED

Promotional Efforts Making A Comeback

Strict regulations, increased FDA scrutiny, and social media are contributing to a surge in pharmaceutical unbranded strategies.

In the world before DTC, pharmaceutical companies invested in unbranded promotion to educate physicians about disease states and to create market growth. Then DTC came along and replaced most unbranded promotional efforts. But the unbranded message is making a comeback today; our experts say this movement is being driven by more stringent regulations, increased FDA scrutiny, and new online communicating opportunities.

“Unbranded promotion is thriving,” says Barry Schmader, executive VP, chief creative officer, at Dudnyk. “There’s a big wait-and-see attitude toward DTC promotions right now, and people are anticipating a future where there might be pull back and more limits on DTC.”

Mr. Schmader is referring to a bid from several legislators for a two-year moratorium on DTC advertising for new drugs, a move that has been in congressional discussions since 2005.

Unbranded strategies are not new in the pharma space, Mr. Schmader says, but the method took a back seat to DTC when the regulations changed in 1997 and the industry turned its focus to branded product messages that target the consumer.



UNBRANDED IS A BROAD USE, MULTICHANNEL APPROACH THESE DAYS.
BARRY SCHMADER
 Dudynk

Nonbranded Advertising, Share of Total DTC			
	2009 DTC Spend	2008 DTC Spend	2007 Spend
Branded	\$4,584,100	\$4,495,648	\$4,820,061
Nonbranded	\$185,648	\$165,806	\$242,000
Total	\$4,769,748	\$4,661,454	\$5,062,060

Source: SDI & Kantar Media. For more information, visit kantarmediana.com. (\$ in thousands)

NONBRANDED
PROMOTION IS ALL
ABOUT DIALOGUE —
THAT'S WHERE THE
WORLD IS GOING AND
THAT IS WHERE WE NEED
TO GO.

NICK COLUCCI
Publicis



Now, with the future of DTC uncertain, experts predict that more marketers will be returning to unbranded efforts, possibly creating a resurgence in that approach.

Other recent regulation changes may also initiate growth in unbranded promotional tactics throughout the industry. The FDA Amendments Act of 2007 (FDAAA) requires all drug ads that mention a specific drug and its use to present a major statement of side effects and contraindications in a “clear, conspicuous, and neutral manner.”

The FDA issued clarifying remarks in March in terms of what clear, conspicuous, and neutral means to satisfy the requirement of FDAAA.

The FDA's new rule is not expected to change anything in terms of what companies have been required to include in their branded and nonbranded DTC promotion, says Michael Parks, executive VP of VoxMedica.

“The new proposed amendment to the FDA's advertising regulations doesn't fundamentally change what has already been required,” Mr. Parks says. “The FDA has always required that a major statement of risks be presented in a clear and conspicuous way in DTC ads. The FDA also provides advisory reviews of most television ads before airing and has done so for more than a decade.”

But that is not to suggest that the industry does not have to be vigilant in its efforts, Mr. Parks adds.

“It's important to recognize that the FDA's new proposed regulation coincides with a more active enforcement approach by the agency,” he says. “Today, the consequences of a warning letter for a misleading TV ad are quite significant due to civil monetary penalties that were also enacted by the FDAAA, not to mention additional penalties brought by government prosecutors and private litigation. Beyond the legal and regulatory implications, a warning letter for a DTC ad can become a provocative news item and a public relations liability for companies and brands as well.”

This more stringent environment is creat-

2009 Nonbranded Advertising spend by therapeutic category

Non-Product Specific	\$40,718
NPS (Smoking Cessation)	\$29,894
NPS (Overactive Bladder)	\$22,201
NPS (Osteoporosis)	\$12,203
NPS (Cholesterol)	\$10,139
NPS (Rheum Arthritis)	\$9,218
NPS (Diabetes)	\$8,252
NPS (AMD)	\$7,741
NPS (PAD)	\$6,645
NPS (Ulcerative Colitis)	\$6,315
All Others	\$32,322
Total Market	\$185,648

Note: Dollars are in thousands
Source: SDI & Kantar Media.
For more information, visit kantarmediana.com.

ing a substantial shift by pharmaceutical companies to nonbranded promotion, especially in therapeutic areas where there is a significant educational need or little to no competition, Mr. Parks says.

“The shifts in advertising can be explained, at least in part, by the ability to replace the increasingly more costly and difficult DTC TV ads with viable alternative product strategies, including nonbranded promotion,” he says. “The new regulations are definitely part of this

equation, but in the end it's only one of many factors being considered.”

Another factor driving the perceived upswing of unbranded promotion is the advent of social media, says Nick Colucci, president and CEO of Publicis Healthcare Communications.

“The most important development in the last six months that is making a difference in unbranded use is not only healthcare reform, but the whole discussion around social media and healthcare,” Mr. Colucci says. “I think unbranded work can have a particularly important place around the need to effectively communicate with fair balance, while complying with appropriate regulation.”

Mr. Parks says an important driver is the growth of the Internet.

“Advertising can be easier and more targeted online, and a disease advertising campaign can be effectively integrated with online information to guide consumers to information about specific products,” he says.

Another advantage of unbranded messages is that there are fewer rules to follow, allowing greater flexibility for brand teams. If an ad does not make claims about a medicine nor uniquely identify a drug, either by naming it or by mentioning its characteristics — directly or indirectly — then the FDA's prescription drug regulations technically won't apply.

There are other equally compelling business reasons to invest in nonproduct or disease awareness promotion, Mr. Parks says.

“A disease ad can be shorter and therefore theoretically significantly less expensive,” he says. “A nonbranded ad most likely presents a better educational opportunity than simply promoting a specific brand.”

New, Improved Unbranded Messaging

The unbranded message of today is functioning in a new environment, so the tactics of the past are no longer effective, Mr. Schmader says.

“Ten years ago, there was only one reason to use an unbranded campaign and that was to

THERE ARE MANY COMPELLING BUSINESS REASONS TO DO NONPRODUCT OR DISEASE-AWARENESS PROMOTIONS.

MICHAEL PARKS
Vox Medica



create a market for a new product,” he says. “Now, unbranded ads can serve many different purposes, including market shaping, issue management, patient and physician education, and altruistic disease state awareness.”

Strategies of unbranded campaigns have changed also, evolving from copy-heavy advertisements placed in journals to Web sites that are easy to navigate and that draw consumers in.

“Marketers have used the new avenues available today to bring more visually satisfying content to the consumer target audience, while addressing an issue or shaping the market,” Mr. Schmader says. “A campaign should start with a powerful bold stopping visual that commands a target audience’s attention and directs it to a Web site or specific microsite components that function as repositories for more clinical data and more in-depth story telling.”

Mr. Colucci says a successful unbranded campaign starts out with a general topic, and then drills down to the more specific informa-

tion a patient or caregiver may be looking for.

“Unbranded work tends to focus on broader content that, with some opting in, can be very relevant to patients and set them off on a very good path of self-discovery,” he says. “By presenting information in a way that patients can drill down to get to the essence of what they are looking for, pharmaceutical companies can lead consumers to more specific information, and eventually they may end up at a branded site for the product that is now very relevant to the patient.”

In that manner, the goal of unbranded campaigns today has also changed. Instead of educating physicians about a new drug, the purpose in today’s environment is to enhance the understanding and knowledge base of all consumers, Mr. Colucci says.

“We strive to educate consumers, whether

physicians or potential patients, because an educated consumer is a better consumer,” he says.

Mr. Colucci says some of the therapeutic categories that are ripe for unbranded messaging include: biologics, oncology, AIDS/HIV, vaccines, diabetes, and arthritis.

“Any category that involves a long-term battle with a disease that has both acute and chronic components to it — from how to live with the disease itself, to how to live with it psychologically, as well as physically — is ideal for unbranded messaging,” he says.

While our experts say the interest in unbranded promotion is growing, the industry has yet to put much spending behind these efforts. According to data from SDI and Kantar Media, the volume of spending in both 2008 and 2009 compared with 2007 has declined. The volume and share of nonbranded ads, however, increased in 2009 from 2008, as has all DTC spending. ♦

PharmaVOICE welcomes comments about this article. Email us at feedback@pharmavoices.com.

Video and Disease Sites Impact E-Patient Behavior

Over the past five years, the number of U.S. consumers researching drug information has tripled, according to Manhattan Research. Now more than 100 million consumers, or 44% of U.S. adults, are e-pharma consumers. While growth in the population of consumers online for general health and medical information, or e-health consumers, has slowed the e-pharma consumer segment is still showing strong growth and is expected to comprise the majority of U.S. adults by 2012.

Among newer media, online video represents a particularly strong opportunity for pharma marketers. Almost one-half of e-pharma consumers watched health videos online in 2009 and many condition groups, such as diabetes, show strong interest in using this media format to educate themselves about their condition in the future. The study found that consumers tend to pull up relevant health videos as they look for health information online, rather than going to YouTube or other video search engines to specifically find video content. Most importantly, the study suggests health video strongly impacts health behavior. Nearly three-quarters of consumers went on to do additional research after watching online health videos.

Condition sites or unbranded Web sites are another type of pharmaceutical online resource prompting consumers to take the next step in their treatment information search. True to their design, condition sites owned by pharmaceutical manufacturers are even more likely to drive consumers to seek condition or treatment information after the visit than product Web sites.

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

Experts on this topic

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