

Growing the Pie

Proven Rx-Based Strategies for Lead Generation

As brands enter the growth stage, they must establish dependable methods of lead generation. Combining the consumer audiences registered by online health sites with the timely authentication of Rx-based analytics, brands can establish a portfolio method of lead generation investment and realize meaningful improvements in scale and cost efficiency.

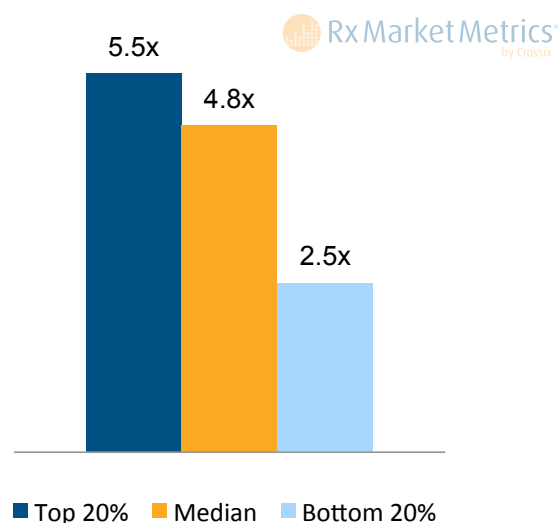
According to a 2010 survey commissioned by Google, 75% of patients go online to research their health conditions *before* discussing them with a physician; 70% go online to learn more *after* the discussion. Over one in three patients search for health-related information on a weekly basis, and over half report making a self-diagnosis after searching for such information.¹ It is clear that the modern consumer has developed immense trust in the Internet when seeking answers to their health questions. Patients, empowered with an extensive selection of online resources, initiate doctor discussions about symptoms, conditions and, frequently, specific treatment options. A 2004 study found that after a patient-initiated discussion of an advertised drug, physicians prescribed that drug 39% of the time; close to half of those prescribing physicians said that other drugs were equally effective.² It seems that the average medical consumer is looking for, and taking, advice outside of the doctor's office.

With such high demand for information related to health conditions and treatment options, many companies have seized the opportunity to create online communities and/or resource centers that provide this information. Users of these general health sites visit them to research drugs more than any other sites, including brand name websites.³ When patients locate a “one-stop shop” for their health information needs, they frequently register and become active members of these communities. Many such communities boast registered user bases that number in the tens of millions, adding thousands of new registrants every day. The aggregation of relevant consumers provided by health sites presents a prime opportunity for targeted communication, as well as unique scalability.

Early indicators – scale what works

Utilizing Rx-based profiling of audiences delivered by online lead vendors, brand managers can start with a small investment and monitor effects on audience quality as they scale-up the volume. Further, by building a diverse “portfolio” of lead vendors, brands can scale individual vendors to reach the optimal combination of size, cost and quality for

Chart 1: Percent Treating in Category (Targeting Multiple*)



Lead Generation Tactics – Chronic Markets

*Targeting Multiple compares rate with random sample of pharmacy-goers

each. Before making any large investment, brand managers can quantify the quality of a sample of the audience provided by an individual vendor. By measuring the Targeting Multiple (see Chart 1) of a sample of leads, they can determine how much more targeted the audience is *versus* a random sample of pharmacy-goers. Chart 1 displays the RxMarketMetrics™ benchmark for the ability of lead generation tactics to reach an audience targeted toward patients treating in category.

The average lead generation tactic facilitates registration of leads nearly five times more targeted toward patients treating in category than a random sample of pharmacy-goers. By measuring the profile of a small set of leads, brand managers can immediately confirm indicators of strong performance, or identify a lack thereof, allowing for optimized buys and performance without a substantial investment of time or funds. Brands have the opportunity to identify greater sophistication on the vendor side by confirming the delivery of more highly qualified audiences. Continued monitoring of audience quality, as each vendor is scaled, allows for the calibration of each vendor to its own unique “sweet spot.” As each lead vendor is optimized, brands can attain larger scale and greater efficiency across the portfolio of vendors.

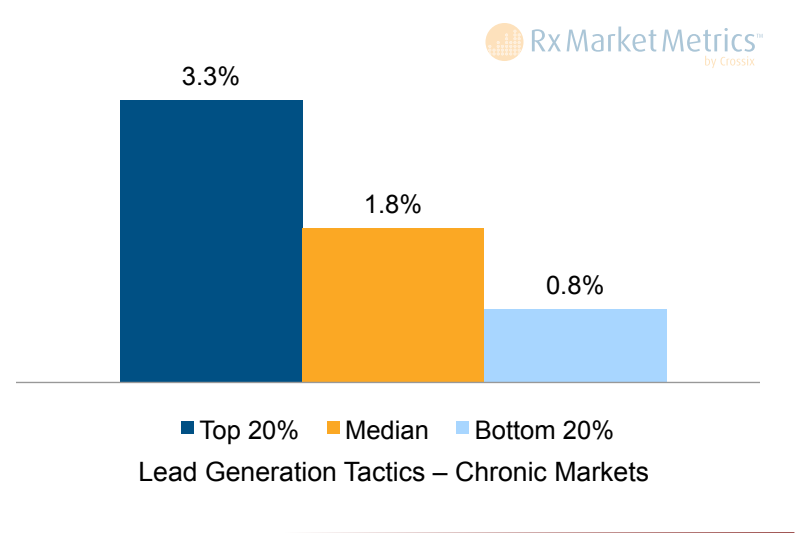
Drive volume and new patients

By measuring conversion to product over time, brands can monitor the cost per new patient start of each vendor compared to other vendors, allowing for further optimization. Initially, brand managers might see underwhelming performance as measured by relatively low net conversion rates from online lead vendors compared to other channels. In Chart 2, RxMarketMetrics provides a benchmark for net conversion rates through six months post-registration for lead generation tactics. Conversion rates can vary greatly from vendor to vendor, but they almost always fall in the low single digits.

Moreover, although there may appear to be a “clear winner” in terms of net conversion rate, brand managers should evaluate each vendor’s rate individually, alongside its cost and scalability, before making “all-or-nothing” reallocation decisions. Many times, the vendor with the highest net conversion rate may have the lowest scale potential, or highest cost, thus necessitating the portfolio approach to lead generation investment. Frequently, a ceiling is established when scaling with high-performing vendors; however, it is rare for any vendor to be unable to eventually provide leads that will result in positive ROI.

With the accountability provided by Rx-based profiling, the vast majority of vendors can provide a cost-efficient way to grow the pie, whether only just slightly or with major force – measurability itself drives quality. As seen in Chart 3, lead generation tactics lead to efficient costs per new patient start when evaluated against the lifetime value of a patient in most chronic

Chart 2: Net Conversion Rate through 6 Months Post-Registration



About Crossix RxMarketMetrics™

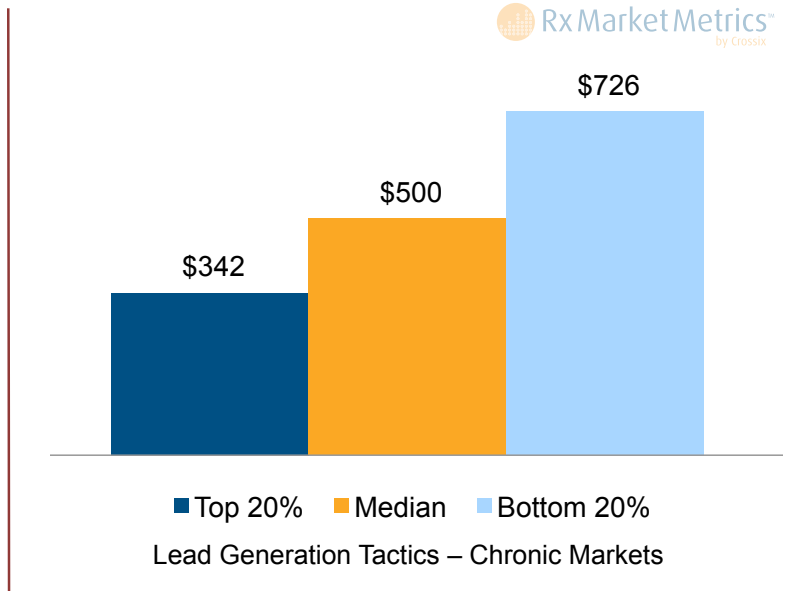
Prescription drug information drawn from Crossix RxMarketMetrics™, market benchmarks for performance of patient adherence and consumer marketing activities based on thousands of actual Rx analyses including more than hundreds and hundreds of consumer marketing tactics across a broad range of therapeutic categories.

Campaigns included in RxMarketMetrics aggregated for the chronic, lifestyle and specialty/biologic markets and derived from actual, anonymized and aggregated, results of consumer marketing campaigns for dozens of leading pharmaceutical brands ranging from direct response (DR) to general awareness and branding campaigns (GA), and multi-channel, from Web to Print to TV.

Normative Rx-based measures include conversion rates and curves, retention rates and curves, and Rx patient profiles specific to the market, channel and tactic. Benchmarks are further broken down by campaign specifics, such as purpose, level of branding, creative, offer type, response channel and fulfillment stream.



Chart 3: Cost per New Patient Start through 6 Months Post-Registration



markets, and are exceptionally cost-effective when compared to leads generated by other channels, like DRTV or paid search. The vendors with the highest costs per new patient start still, by and large, yield positive ROIs, and sometimes can provide the scale necessary (>50k leads/month each) to transform lead generation into the campaign workhorse.

Lead generation can be an effective tactic to drive qualified leads, and, with communication over time, new patient starts. Understanding the differing costs and potentials for scale across vendors allows for a portfolio approach, with delivery from each vendor optimized and overall ROI maximized. Brands should understand the attributes of each vendor in the portfolio as even the speed at which benefit is realized can vary between vendors. Chart 4 shows a sample of four lead vendors from a single campaign; as shown, at 6 months anywhere between 38% and 68% of the 12-month conversion

benefit has been realized. Diversifying a lead generation investment across multiple vendors allows for reduced variability in net benefit realized over time.

The ability to monitor lead quality each month, and manage cost per lead based on quality delivered, puts power in the hands of the media buyer, who has previously had to buy big and hope for the best. A best practice when managing a portfolio of lead vendors includes communicating the active use of Rx-based measurement for performance evaluation. With the accountability and real-time insight provided by Rx-based analytics, any brand can manage a portfolio of lead vendors and realize meaningful growth in the size of its base. **DTC**

This is a part of an ongoing series on Rx market metrics of various consumer marketing activities. For more information, see the Crossix RxMarketMetrics™ website (www.rxmarketmetrics.com), from Crossix Solutions Inc., an Rx-based consumer analytics company (www.crossix.com).

References

- 1 Belliveau, Mary Ann. "Health info online: The stakes are higher." *CNN Blogs: The Chart*. 4 Oct. 2010. Web.
- 2 Weissman, Joel S., David Blumenthal, Alvin J. Silk, Michael Newman, Kinga Zapert, Robert Leitman, and Sandra Feibelmann. "Physicians Report on Patient Encounters Involving Direct-to-Consumer Advertising." *Health Affairs (Millwood)*. Jan-Jun 2004. Web.
- 3 Petrini, Carolina, Betsy Greenawalt, and Scott Wolf. "How Everyday Health Users Research Prescription Drugs Online." *Everyday Health*. Aug 2010. Web.

Chart 4: Times to 12-Month Conversion Benefit for Sample Vendors

