

How Pharma Brands Grow: Branding in a Performance Marketing World

Introduction

New research shows the faster adoption of breakthrough medications among health care professionals requires performance marketing efforts be balanced with more creative and more emotional brand building.

Performance marketing is critical in pharma HCP marketing, but it's not enough on its own. Why? Fundamentally, most HCPs are not able to respond to performance marketing efforts when they receive them because they are not in a position to write a new branded prescription (NBRx) for many months. Our research shows that for conditions as diverse as breast cancer, MS, Crohn's, Psoriasis and HIV, 90% of prescribers only have an opportunity to write a new branded prescription a few times a year.

This does not mean pharma marketing should abandon performance marketing efforts. Far from it. Our research also shows pharma markets, unlike traditional consumer packaged goods (CPG) markets, are dominated by the

top 20% of prescribers, and success requires recruiting them and building long term loyalty. However, even among these critical and knowledgeable audiences, frequency of opportunities to prescribe NBRx can be relatively low. Taken together, these research findings show brand and performance marketing efforts need to be balanced and integrated. Pharma marketers need to invest in brand marketing to ensure their brands are recognized and remembered when HCPs encounter NBRx opportunities, while simultaneously ensuring that more triggered messaging is personalized and relevant to individual HCPs' particular prescribing behavior.

HOW PHARMA MARKETING IS DIFFERENT?

Pharma is one of the most dynamic, innovative and fastest growing sectors in our economy today, driven by complex scientific breakthroughs and the incredibly high stakes involved. Some of the biggest challenges marketers face in other categories include low levels of innovation and the indifference of their target audiences. In pharma, HCPs and patients are literally involved in making life and death

Condition	Total Unique HCPs	Total NBRx	Brands	Time Period
Psoriasis ICD-10 = L40	26,250	198,136	Humira, Tremfya, Consentyx, Taltz, Skyrizi	January 2020 – October 2022
Breast Cancer ICD-10=C50	12,880	84,308	Biqray, Ibrance, Kadcyla, Keytruda, Kisqali, Lynparza, Nerlynx, Perjeta, Talzena, Trodelvy, Tukysa, Verzenio	
MS ICD-10=G35	12,484	45,731	Ocrevus, Tysarbi, Kesimpta, Rituxan	
Crohn's ICD-10 = K50	32,957	92,867	Entyvio, Remicade, Cimzia, Stelara, Humira	
HIV ICD-10 = Z20.6	35,340	36,407	Descovy, Apretude, Dapivirine Ring	
Five Conditions	119,911	457,449	29 brands	

Source: ACTICS by EVERSANA® Claims Data, January 2020 – October 2022



decisions, and two-thirds of physicians are overwhelmed by the amount of new research, clinical trials, products and treatments or procedures to keep up with.

But how different are the challenges faced by pharma marketers? Our inspiration was Byron Sharp's seminal 2010 book, "How Brands Grow," and the work of the Ehrenberg Bass Institute. We wanted to step back and understand the fundamental patterns of pharma marketing, the role of heavy and light prescribers, their frequency of writing prescriptions, and the role, if any, of brand and performance marketing.

HCPs spend a notable amount of time tracking and renewing medications. Our focus was NBRx writing opportunities, the moments when HCPs change direction and have an opportunity to choose a new brand.

To examine this issue, we leveraged ACTICS by EVERSANA®'s claims database, looking at nearly half a million NBRx written by over one hundred thousand HCPs across five very diverse conditions; breast cancer, psoriasis, MS, Crohn's and HIV, from January 2020 to October 2022.

PHARMA CATEGORIES ARE DOMINATED BY THE TOP 20% OF PRESCRIBERS

If you're dealing with heavy category users, it impacts your marketing a significant amount. Heavy category users are more familiar with the options in their category, they tried

them more frequently and they have well-established opinions on their strengths and weaknesses. They also notice marketing materials better and find it easier to process and remember them. Given their importance, it's also critical to build long term relationships with them.

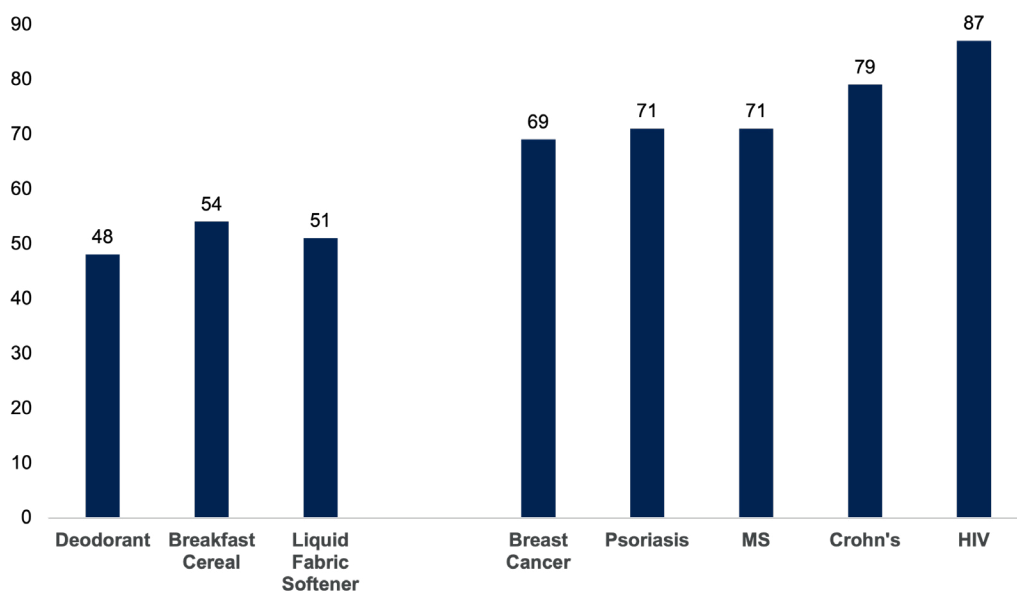
Unsurprisingly, marketers in categories dominated by heavy category users love performance marketing. It allows them to send very personalized and timely messages to a highly discerning audience. Personalized relevance matters a great deal to customers like these.

Pharma is dominated by heavy prescribers. In consumer-packaged goods categories, the top 20% of the heaviest buyers account for about 50% of prescribers, but in pharma categories, heavy prescribers play a far bigger role.

In disease states like breast cancer, psoriasis and MS, the top 20% of prescribing HCPs drive approximately 70% of all category volume. In the Crohn's disease state, it's the classic 80/20 rule, where the top 20% drive 79% of the volume. In a condition like HIV, the market is incredibly polarized, with the top 20% of prescribers driving 87% of category volume.

With this type of audience in the pharma space, performance marketing does very well. It's incredibly important to send these discerning folks highly relevant, personalized messages, because if you get it wrong, you will be quickly discarded, and if you get it right, you're building a relationship with a highly valuable customer.

Percentage Volume Accounted by Heaviest 20% of Buyers/Prescribers



Source: CPG categories: How Brands Grow by Byron Sharp, 2010. HCP categories: ACTICS by EVERSANA® Claims Data, January 2020 – October 2022



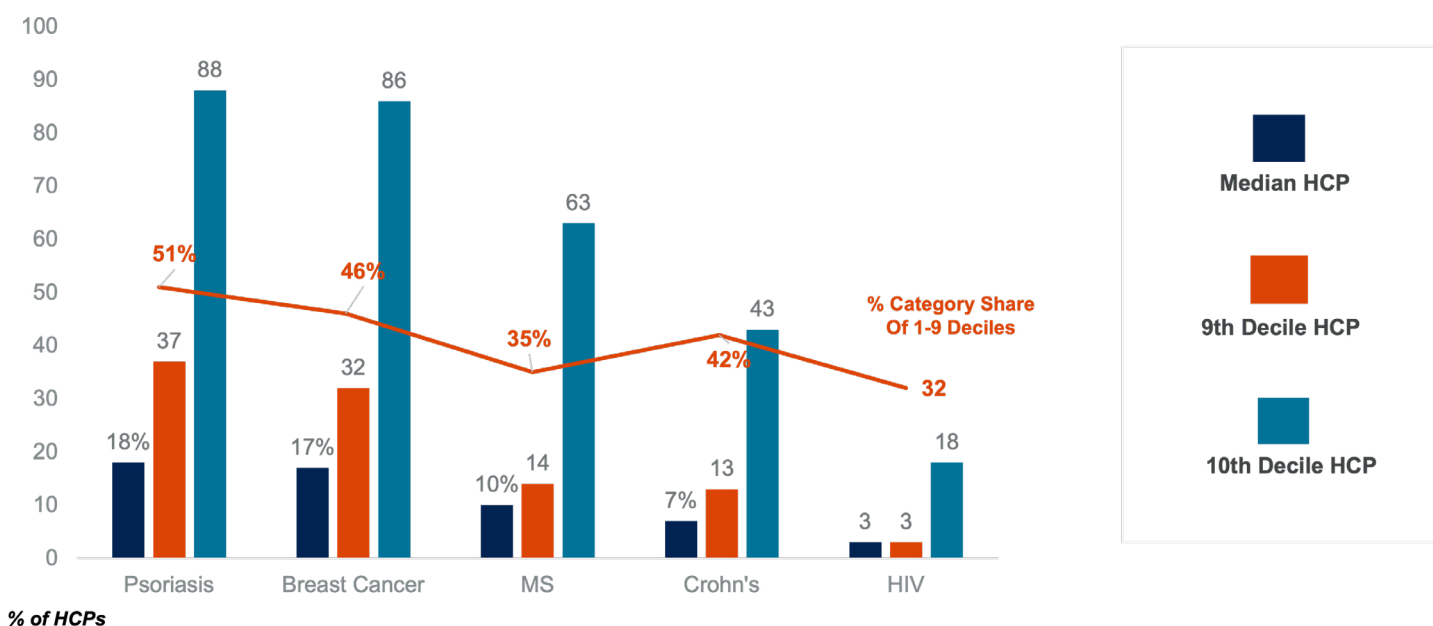
PHARMA CATEGORIES ARE LOW FREQUENCY CATEGORIES

Given the highly concentrated nature of pharma categories, it would be easy to think a sole focus on performance marketing would be sufficient. However, an important characteristic of pharma categories is, despite them being highly concentrated, many HCPs' opportunities to prescribe NBRx come along relatively infrequently. Therefore, most action-driving performance marketing efforts arrive when HCPs are not in a position to react to them.

The probability of monthly prescribing only gets lower in categories like MS or Crohn's, where the median prescriber and even the ninth decile prescriber, has only a once-a-year opportunity to prescribe a NBRx. In a category like HIV, the probability of prescribing a NBRx is only 3%.

A performance marketing fundamentalist might argue that we should focus our efforts only on the most valuable customers: the top decile. But even then, opportunities to write a NBRx are very low. Within the HIV space, the top decile prescribers have an opportunity to write a NBRx

Monthly Rate of Prescribing A New Brand By Decile



Consider relatively common conditions such as breast cancer or psoriasis. The average probability of an HCP writing a NBRx in any given month is roughly 18%, meaning, at best, they write a NBRx twice a year. Even a higher volume HCP, one who is in the ninth decile of prescribing, is getting an opportunity to prescribe once every four months. Most of the time, a performance marketing message driving for engagement will fail, not because it isn't relevant or personalized, but because HCPs won't have an opportunity to act on it for multiple months. Even if they engage in the communication, months later when they do have an opportunity to act on the information, they may very well have forgotten it.

3-4 times a year. In Crohn's, the top decile only has a 60% probability they will prescribe in any given month.

Only in the most common conditions do the top decile prescribers have an opportunity to prescribe NBRx monthly. In breast cancer and Psoriasis, nearly nine in 10 of the top decile prescribe once a month. But focusing on these prescribers alone would involve walking away from a tremendous amount of volume. Nearly half of all volume in these categories comes from outside the top decile, which is a lot of volume to ignore.

Given this, HCPs in pharma categories look extremely similar to other B2B categories, following what has been coined by Professor John Dawes of the Ehrenberg Bass Institute as the 95/5 rule.



“ The 95% figure is not meant to be a precise rule. We’re using it as a heuristic to get the idea across that the vast majority of businesses, for a large proportion of products, are not in the market in particular time periods. And that fact is profound for advertising. It means that the way advertising works isn’t by stimulating us to buy....the way it works must principally be by building a memory link for the brand in buyers’ minds. And this memory link will be activated when the buyer does come into the market. Advertising impressions, accumulated over time, affect our memories. So, your advertising has to be designed to create distinct impressions about your brand in people’s minds - to be activated later. ”

When we talk about advertising that builds memories among HCPs, we’re talking about brand advertising that:

- Wins peoples’ attention by looking and sounding like nothing they’ve seen before, breaking cliches and standard formulas.
- Tells an emotional story that people will pay extended attention to.
- Relies on visual characters, celebrities and audio jingles, not because those types of distinct brand assets are highly persuasive, but because they are easily recognizable and more likely to be remembered.
- Delivers these messages broadly, consistently and repeatedly through media channels that are optimized for more attention and memorable content such as video, conferences and longer form point of view articles on industry trends (vs short form content more optimized for action; paid search, social and email).
- Focuses on ensuring the brand quickly comes to mind when a NBRx situation arises rather than trying to persuade, months out from consideration, why Brand Rx is better than the alternatives.



HOW PHARMA BRANDS GROW

These findings allow us to move past well-worn arguments about brand vs performance marketing in the pharma space, based on two key fundamentals of the pharma marketplace:

1. Most HCPs are not in a position to write a NBRx.

- During these moments, the role of marketing should be to prime potential HCP audiences about their brand's relevance to future potential prescribing situations. Memorability and recognition, not persuasion, should be the primary marketing objective. Success is not convincing HCPs, but ensuring brands are considered by them when exploring treatment options.

2. Most NBRx volume comes from heavy volume prescribers.

- When heavy prescribers enter the category, they're looking for information from brands they recognize that is relevant to the treatment condition. The more recognizable your brand is, the more likely it will be engaged with, therefore performance marketing efforts need to combine brands' distinct brand assets so they are quickly recognized, with personalized, timely copy that is relevant and persuasive.

Conclusion

Pharma is not like CPG marketing. Rather, marketing to HCPs is far more like B2B marketing. Sectors with high value, low frequency buyers. Understanding this allows us to include pharma branding in the performance conversation. Before you can be considered, you need to be remembered, or at least recognized. This is the job of branding. When done well and integrated into performance marketing efforts, marketers will be rewarded with higher rates of engagement and consideration.

To learn more about brand and performance marketing and how EVERSANA INTOUCH® can help, [contact us](#).

Author:

John Kenny, SVP and Head of Strategic Planning,
EVERSANA INTOUCH



About EVERSANA INTOUCH®

EVERSANA INTOUCH is a global, full-service marketing agency network serving the life sciences industry, and is the first – and only – agency network to be part of a fully integrated commercialization platform through EVERSANA®. EVERSANA INTOUCH provides marketing services – connected and powered by data-rich, digitally forward analytics – through its affiliates: EVERSANA INTOUCH Solutions, EVERSANA INTOUCH Proto, EVERSANA INTOUCH Seven, EVERSANA INTOUCH Oxygen, EVERSANA INTOUCH Engage, EVERSANA INTOUCH B2D, EVERSANA INTOUCH Media, and EVERSANA INTOUCH International. To learn more, visit EVERSANAINTOUCH.com or connect through [Facebook](#), [LinkedIn](#), [Twitter](#), or [Instagram](#).

