

DMNNews

The Authority for Direct Marketers

HEALTHCARE

A healthy focus on customers

By Mary Hurn

Healthcare companies understand an open dialogue with consumers can increase brand loyalty, so loyalty programs have been an effective tactic ever since pharmaceutical companies began marketing directly to consumers. Loyalty methods are more sophisticated than in the past, often involving partnerships with retail pharmacies and targeting messages and offers to specific segments of the customer base in order to promote compliance. However, due to regulation, drug marketers are still constrained in their ability to speak with customers.

“Pharmaceutical companies can’t always have a two-way dialogue with patients because of regulations,” says Andrew Bast, SVP and GM of Purple@Epsilon. “But there are still meaningful touchpoints and interactions the companies can have with patients to help them along.”

AstraZeneca has collaborated with Purple@Epsilon for database and loyalty marketing. For drugs such as Nexium, Bast says educational materials, a support system and money-saving offers can make the difference in whether a consumer continues to take a drug like it over time.



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Andrew Bast, SVP and GM, Purple@Epsilon

He added that it’s important to send out money saving offers tactically, to “those who are most at risk to switch back to an OTC drug or switch to a competitor based on another offer.” This way, companies save by not offering the discount to everyone.

Christian Boswell, president of BFW Advertising, says a good time to give patients an offer is at diagnosis: “A coupon program can be very effective, especially for those who may not have anticipated funding a copay every month.” BFW handles loyalty for Tiber Labs’ ProCentra, a kids’ ADHD drug.

Insurers face similar struggles, even though consumers are less likely to jump from provider to provider. Jill Kaufman, VP of the Hacker Group, which does work for Medicare Advantage, says that considering which insurance company to work with is becoming an annual decision for consumers.

One way to solidify customer relationships is by keeping educational and informational communications — not just bills and transactions — constant. “Because the government prohibits incenting consumers in the insurance category, the goal is to develop relationships and solidify bonds by creating value-add messaging,” Kaufman says.

Bast says consumer education is most important. “You’re trying to turn the user into an advocate,” he says. “It’s easy for a consumer to switch over to a newer, cheaper drug, but they won’t be receiving the support they’ll get from a brand name.” •

Top Trends

Healthcare loyalty programs have evolved to include more tactical offers

Federal regulations affect how marketers design and implement loyalty programs

The drive for loyalty cuts across all facets of healthcare, from pharmaceuticals to insurance companies

CASE STUDY

RETENTION: EMBLEM HEALTH

Emblem Health wanted to reach out to senior citizens participating in its Medicare Advantage program. The insurance provider worked with Seattle-based Hacker Group to produce a loyalty program to this group of customers.

"When I think of loyalty programs, I think of them as being transactional in nature," said Jill Kaufman, VP of Hacker Group. However, in a category like insurance, it's

#1 not possible to execute that type of campaign, she says. "Incenting customers in the insurance category is regulated by the government, so we wanted to develop relationships and solidify bonds" outside of the traditional, transactional model, she explains.

Kaufman says that typically insurance providers treat their customers like a "sleeping dog," strictly interacting only when they have to: at doctor visits and during bill payment. But Hacker takes a different approach, focusing on ongoing communications through direct mail throughout the year.

Kaufman says the level of frequency is important. "We wanted to be sure to communicate often enough to build a bond but not too often to be perceived as wasteful."

One piece that drops in November includes a Holiday Checklist reminding members to get flu shots, to keep prescriptions up to date and to stay active. The mail pieces also include a thank you message and a toll free number urging recipients to call with any questions about their 2010 coverage.

While the campaign is still in its early stages and no solid results are in yet, Kaufman says the success of the campaign will be measured by only one metric: retention.

RETENTION: NEXIUM

Previously known as the "Healing Well, Feeling Well" loyalty program, the multi-channel CRM initiative for AstraZeneca's



Nexium drug launched in 2003. Today the program is known by the catchier moniker "Purple Plus."

Purple Plus was developed by Saatchi & Saatchi Healthcare and Epsilon.

The program launched with a major consumer marketing campaign six years ago including TV, radio, print and online ads to educate consumers about the medication. Nexium is a prescription drug designed to relieve heartburn and heal damage cause by gastroesophageal reflux disease (GERD), or acid reflux.

Once consumers opted in to the program by asking their doctor and getting a prescription, he or she received a welcome kit sent by direct mail or e-mail. After that, consumers received newsletters that included more information

#2 about the medication, success stories from other users, recipes, tips for staying active, and other health-promoting content.

The main goal of the campaign was to maintain compliance by communicating the importance of taking prescription medication to prevent acid reflux, rather than over-the-counter medication taken only when symptoms arise.

Bast says, "Once a person was on the prescription, and symptoms decreased, our challenge was to give credit to the Nexium brand itself, not just the feeling of relief the drug gives them." This was in an effort to prevent brand disloyalty.

Today those elements are still in play, but the program has evolved. It now

also focuses on pharmacy partnerships. "When a consumer fills their prescription for the first time at a drug store, that's a really important time to begin communication," Bast says. "We have partnerships with pharmacies to communicate loyalty messages through co-branded direct mail 'brought to you by' both the pharmacy and Nexium."

Nexium also now tactical rebates in the form of a co-pay discount card found online to increase loyalty among users. It formerly had used direct mail to distribute these cards.

The company targets those who are most at risk for switching brands based on aggregated anonymous consumer data, known as de-identified data in the health-

How can you get the physical activity you need? Think 3-2-1!

There's more than one way to get to your goal of 30 minutes of moderate-intensity physical activity on most days of the week. You don't have to do it all in one shot—you can break down that 30 minutes into 15-minute, or even 10-minute, segments.

- 3 — Complete 3 activities for 10 minutes in a row at a moderately intense rate
- 2 — Complete 2 activities for 15 minutes in a row at a moderately intense rate
- 1 — Complete 1 activity for 30 minutes in a row at a moderately intense rate

Here are some suggestions from the CDC on how you can reach the goal of 30 minutes of moderate-intensity activity on most days of the week.

Indoors	Outdoors	Insects and Outdoors
<ul style="list-style-type: none">• Raking a driveway walk• Activity playing with children• Scrubbing the floor• Sweeping• Doing housework, etc.	<ul style="list-style-type: none">• Downhill skiing, with light effort• Shoveling light snow• Playing golf (with walking the course)• Mowing or weeding a car	<ul style="list-style-type: none">• Playing basketball (shooting hoops)• Walking at a brisk pace in a mall, across a park, or on a treadmill• Doing water aerobics• Jogging and walking combination (meeting 2/3 of the time)

Nexium
(esomeprazole)

Tools, tips and more—at www.purplepill.com/winter/

A little help can make a big difference so that you can stay healthy and healed. At www.purplepill.com/winter/, you have access to reliable and helpful tools and tips, including:

care industry. That data is regulated by the Health Insurance Portability and Accountability Act (HIPAA).

Bast could not share specific results, but says success is measured by engagement with the brand gauged by e-mail open rates, click-throughs and completed surveys; by the use of offers like the co-pay card; and by what consumers say they'll do vs. actual sales results.



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