

# DTC Marketing A Work in Progress

## Consumer needs give rise to "Targeted Mass Media"

By Howard Steinberg

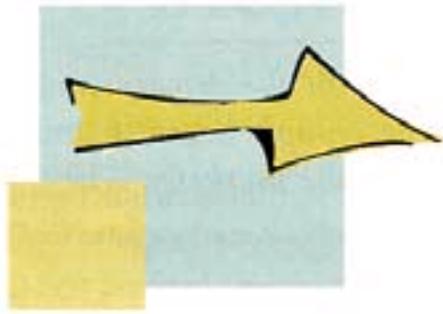
Billions of media dollars already banked by networks and DTC is still a relatively new phenomenon! To draw from the classic product life cycle model, it is in the growth stage: more competitors entering the market and learning what works in the process. Ten short years ago, DTC was less than 5% of Pharma marketing budgets. Today it's over 30%<sup>1</sup> and marketers are still learning.

Healthcare got into traditional TV mass marketing by simply following the crowd. DTC brands have followed one after another into this mass media parade, buying into the logic that big brands need big media. The huge budgets were quickly followed by studies confirming DTC advertising works! But it's time to ask, "Can it work better?"

In the early stages of DTC, so little consumer activity had gone before that just supporting a brand with consumer media was bound to raise awareness and have impact. But the real, sustainable ROI of traditional mass media is still up for debate because there are obvious problems for DTC with the mass media model.

### The Mass Media Model

The mass media model is built for large consumable brands that can target effectively with demography, because demographics are how TV targets and guarantees delivery. Demographic targets - age/sex targets - seldom define consumer markets; they identify the concentration of buyers. This works fairly well for consumer goods, but not DTC where ailment incidence is often small and scattered and not age/sex defined. Think about it. Most anyone uses toothpaste, automobiles or soft drinks, but only asthma sufferers use inhalers, or diabetics, blood glucose meters.



*This new approach to DTC marketing focuses on the disease state of a lifestyle, creates media content to feed the group's interests and needs, which creates an audience specifically for the marketer. We call it Targeted Mass Media, or TMM.*

Demo targeting is a convenient way for media to be sold not a targeting science for DTC.

The diabetes market is an example. It is hard to turn on the news or daytime television without seeing advertising aimed at the growing diabetes patient population. Even though this is a large and growing market of 18.2 million Americans 13mm diagnosed' plus the family members and caregivers who are very involved in their well being and purchase decisions, reaching diabetics is not easy.

The current DTC model says you convert a person with diabetes, or any other chronic condition, into a demographic. And that's the first flaw in the model. The likely media demo for diabetes (depending on product) would be Adults 50+. But only 12%3 of that demo is within the diabetes target group. That number grows when you factor in the important caregiver groups involved in or actually responsible for care decisions, like the children of aging parents, or the parents of type 1 children, etc., who are typically younger than the Adult 50+ demo. Mass consumer brands can clump their users into demo groups for cost-effective television buying. It doesn't work that well for DTC.

Secondly, the messaging in DTC is not so easily distilled down to convenient :30 sound bites or :60 spots with fair balance integration. The more complex health issues treated by DTC often benefit by a media context different than a :30 or :60 commercial in CSI, the Oprah or the Nightly News.

The third strike against mass media is not reserved for DTC alone, but for all TV advertising. For a myriad of reasons ranging from less cooperative panelists, to greater viewing choice, to longer commercial pods, to TiVo and DVR's, to 100% remote control penetration, the probability that people reported as the audience of a program will see a commercial is far lower than it was even a few years ago. This makes it less certain that the DTC spot in the commercial pod will be seen, remembered or distinguished from a competitive sound bite. To confirm the obvious, a recent Leo Burnett USA report indicated that consumers are exposed to 2,904 messages each day and process only 52<sup>4</sup>.

### Enter Targeted Mass Media

Others smarter than me have already waxed on about the need for media mix management and data fusion or simply low tech integrated marketing. However, there is a new awareness of the structure of DTC markets that turns the traditional mass media model with its demographic targets upside down.

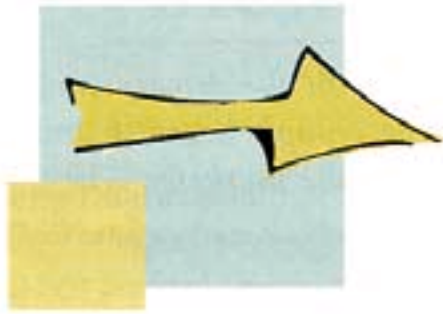
Today large, self-managed, chronic patient populations act as self-reliant consumer lifestyle segments. These sets should be treated as defined lifestyle groups, just as sports fans, or home improvement enthusiasts, and targeted with multi-channel media serving their own specific set of interests.

This new approach to DTC marketing focuses on the disease state as a lifestyle, creates media content to feed the group's interests and needs, which creates an audience specifically for the marketer. We call it Targeted Mass Media, or TMM.

Let's once again use diabetes as an example. Currently marketers have little choice in talking to this market. Direct channels are too direct - small circulation magazines and databases don't reach critical mass and are expensive to use on a routine and frequent basis. And mass channels are too broad and therefore inefficient.

The market has been slow to provide multi-media platforms specific to these audiences. Such an obvious solution would use measured mass media, but it would create new venues and content that attracts the diabetes audience to the media and to the advertiser rather than hoping your message hits them in the mass channels. For example, the model I envision may include a TV show all about living the diabetes lifestyle, regular radio programming with information and insight, a comprehensive diabetes database and regular co-op direct mail to this database, a Web portal which all channels feed into for CRM interaction, retail and professional programs and more.

Such a model would be instrumental in helping marketers reach the 18mm affected by diabetes and their support systems by attracting them to a targeted multi-media vehicle. Further, marketers would not be limited to :30 or :60 spots in broadcast or pages in print. Messaging can be an organic part of the show segments and the various other print, web and radio content.



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So while the TV industry goes gah-gah about placing a product on a sitcom coffee table, the TMM model integrates product and content at all levels, all the time, within the subject's context.

That's the magic of TMM; it brings these consumers and DTC together in a new marketing model, driven by information, connection and efficiency. With further development, it may be the future of DTC marketing. ■

### *A New Marketing Paradigm*

Building a responsive audience for DTC messaging is the same as building any defined audience; it's all about relevance. And what is more relevant to people than the ailments they live with every day? As media continue to fragment by lifestyle and interest, look for interest in healthcare to play an important role in creating new consumer media markets. This doesn't mean we will have the Arthritis Channel and the Colitis Network, but there will be more and more programming at every conceivable touch point to address America's desire to take control of their healthcare decisions. The market forces at play here are unmistakable. On the consumer's side, those affected by a chronic disease want information, control, and connection with others. But the healthcare system doesn't give them the opportunity to learn and connect easily or efficiently via primary care. They spend less and less time at the doctor's office and more and more time searching mass media. On the marketer's side, companies who desperately want to talk to these consumers are waking up to the need for more cost-effective channels.

<sup>1</sup>ICXO World Business, A prescription for direct drug marketing (<http://en.icxo.com/htmlnews/2004/04/14/1648.htm>)

<sup>2</sup> American Diabetes Association ([www.diabetes.org](http://www.diabetes.org))

<sup>3</sup> American Diabetes Association ([www.diabetes.org](http://www.diabetes.org))

<sup>4</sup> The DMA Spotlight on Publishing ([www.frequencymarketing.com/newsroom/pr041904.pdf](http://www.frequencymarketing.com/newsroom/pr041904.pdf))

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