

Current & Future Landscape for POC Marketing, Trends to Watch



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2019 Update on Point-of-Care Marketing

ZS launched a quantitative study of the point-of-care marketing channel in late 2018

METHODOLOGY



- Online survey conducted with patients, POC vendors, brand marketers and agency media buyers
- 15-minute survey explored perceptions of value, projected spend levels, growth projections, network strength and more

PARTICIPANTS



- POC Vendors: 17
- Brand Marketers: 52
- Agency Media Buyers: 45
- Patients: 80

DEVICES / CHANNELS MEASURED



- In-Office TV
- In-Office WiFi
- Exam Room and Check-In Tablets
- Print, Cover Wraps
- Static Wallboards
- Interactive Wallboards

The study was combined with secondary research and qualitative interviews

Three Themes

Our study focused on three core areas to gain a better understanding for POC trends

Value and perceptions of the industry across stakeholders



Updated projected growth through 2022 and drivers



Emerging trends impacting POC in the future



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POC continues to be a trusted health resource for patients

Patient Engagement with Point-of-Care Messaging is Significant and Valued

Percent of Americans trust health professionals and the information in offices



84%
NURSES

67%
PHYSICIANS



66%
PHARMACISTS



15 minutes
AVG TOTAL WAIT TIME

- 5-10 min in waiting room
- 5-10 min in exam room



55% patients
engage with waiting
room TV



In-office Wi-Fi
(60%), followed by
in-office TV (41%)
to be extremely
helpful

49%

agree that the
Point-of-care content
in their doctor's
office is relevant
and useful



Sources: December 2018 Professional Honesty and Ethics Standards by Gallup, Vitals 9th Annual Wait Times Report, March 2018, 2019 ZS Point-of-Care Study.

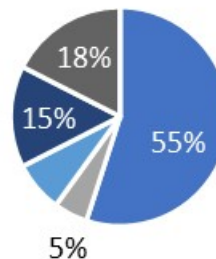


Patients interact with 2 or more devices in office

Patients engage in multiple ways while in the office

- *The vast majority of patients reported interacting with 2 or more devices*
- *70% reported interacting with waiting room TV and magazine advertising wrap*
- *Patients all engage with their own smartphones while in the office, often using them to:*
 - *Look up information from the physician*
 - *Entertainment*
 - *Phone calls*

PATIENT INTERACTIONS WITH EACH DEVICE / CHANNEL IN OFFICE



- Waiting room television
- Exam room tablet or ipad
- Waiting room kiosk / information
- Check-in tablet or ipad
- Magazine with a health care advertising wrapping it



Pharma brands also find value in point-of-care

Engaged patients, relevant connection to physician, and opportunity for exclusivity drive value

- 63% believe point-of-care **critical to launch success**
- 40% say POC **“Highly Important”** for brand growth
- Majority believe in **“halo” effect** on physicians



Source for data: ZS PoC Study 2018, n=52 Brand Marketers

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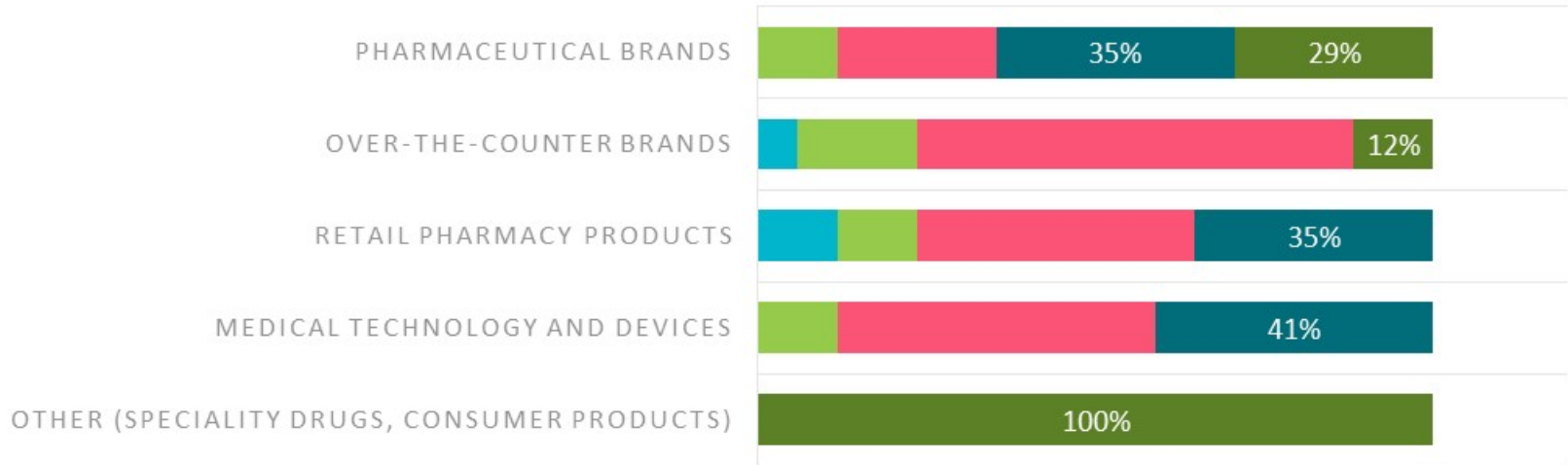




POC Companies report increasing spend levels in channel across advertisers

POC COMPANIES REPORTING CLIENTS INCREASING IN SPEND BY CATEGORY

■ Decreasing spend 1 ■ 2 ■ Neutral 3 ■ 4 ■ Increasing spend 5





Pharma brand marketers reported flat YoY spend in late 2018, but expect to increase in 2020

Brand Interest



40% of Rx brands use POC channel
Up from 30% in 2017

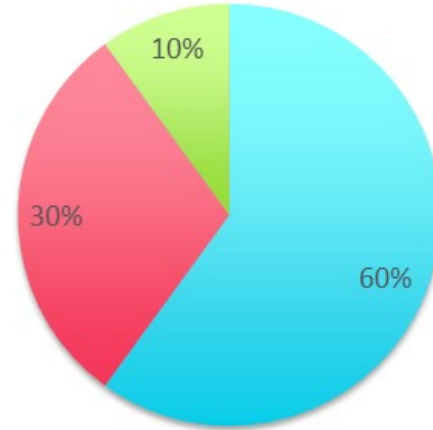


12% of brands expect to increase their spend in PoC by more than 20%



85% of market spend is from pharma companies

Strategic Role of POC



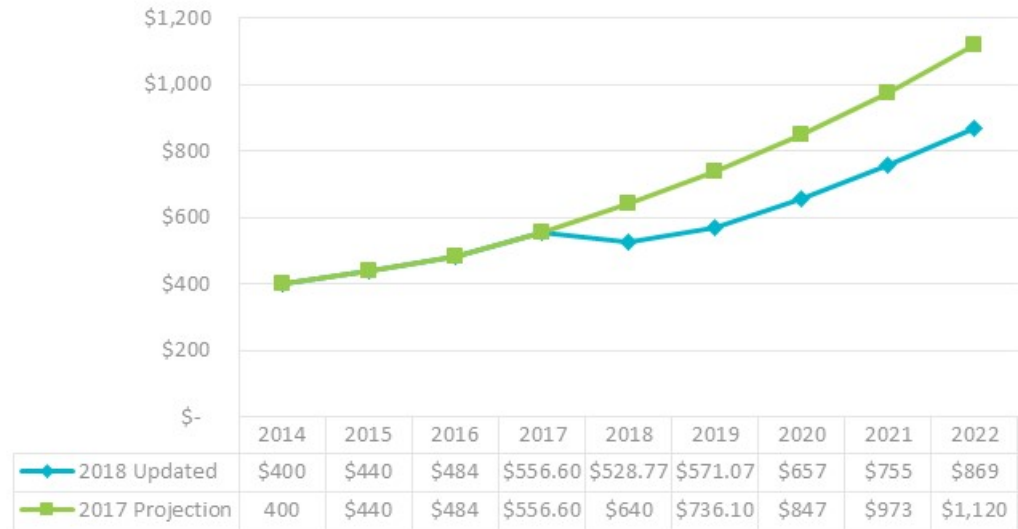
■ Awareness ■ Education ■ Adherence



Overall revenue trend for the industry is strong, despite some pull-back in 2018

OVERALL INDUSTRY PROJECTION - CORRECTED

- News coverage in 2018 caused some brands to pull back
- This trend reversed in 2019
- Advertisers, agencies and POC companies report increased growth and return of many advertisers
- By 2025, POC spend could reach \$1B





Increased opportunities to engage patients fuel growth and interest in POC

New POC Locations

10-20%
Brands

Moving dollars from digital media to digital POC in doctor's offices and hospitals



DOCTORS' OFFICES

- Dermatology
- Diabetes



HOSPITALS

Digital Offerings



Exam
Room
Tablets



Exam Room
Interactive
Wallboards



Sponsored
Apps and
Wifi



Waiting
Room
Digital TV



Near Field
and Geo-
Targeting

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DTC investment is continuing to grow...

■ DTC spend by year in billions
● % DTC spend on television by year

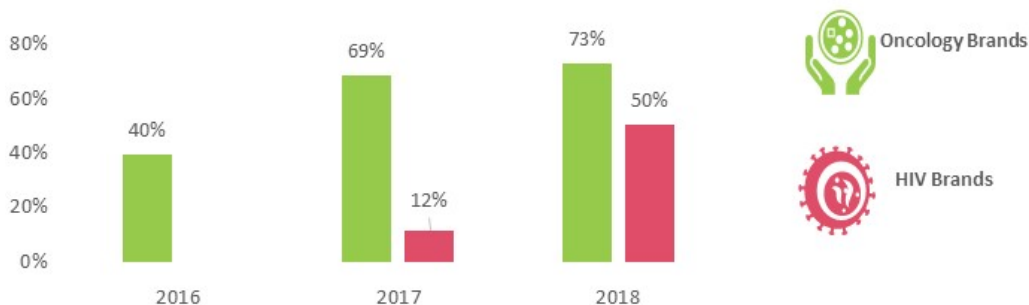




...but the type of advertiser is changing

Therapy areas thought to be physician-driven are making significant investments in DTC – especially TV advertising – which is typically correlated with POC spend

% of Annual Brand Ad Budget Spent on TV



6 out of 10
the top Advertisers
are **Specialty and Oncology** Brands

41% Marketers Ranked –
Greater Reach in Specialty Offices as a key driver

Source: Nielsen, Kantar, and IMS Health; TV spend: Market Measures Interactive, Datamonitor, The Routledge Handbook of Health Communication, Kantar, Ad Age, STAT News; Kantar Media - Strategy Q1 2012 – Q4 2017 (Date pulled: March 2018), MarketingCharts.com analysis of Nielsen data published December 2017, [MarketingCharts](#), GLG Interviews, 2018 ZS Point-of-Care Pulse (full study results with 200 patients, media buyers, brand marketers, and POC vendors available October 2018).



Traditional TV viewing behavior is changing dramatically – driving advertisers to think differently

- 2016 marked the first time streaming TV (also called Internet TV) was in 50% of US TV households.
- Netflix now has more paying subscribers in the US than all of the top cable TV companies combined.
- Traditional TV viewership is dropping in every age group except 55+
- Traditional TV is still the number 1 video viewing source – **it just isn't the only one anymore.**
- POC offers highly-targeted option, similar to these new video offerings



Key Takeaways

Looking ahead at these three themes



- Patients value the information they get at the point of care
- Brands are using “multi-channel POC marketing” to engage patients at critical points across the journey

NEXT UP: Customized content for each stage of POC journey



- POC investment is growing and expected to reach \$900M in 2022
- Pharma is still the leading advertiser, but Medical Devices and Retail pharmacy brands are increasingly turning to POC

NEXT UP: Increased interest and investment in proximity marketing



- DTC spend is increasing overall, with TV and video streaming driving the growth
- Increase of specialty brands investing in DTC means demand for specialty POC networks is increasing

NEXT UP: More precise and accurate measurement methods and practices

Questions?

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Download a copy of our
white paper at:

<https://www.zs.com/publications/articles/point-of-care-marketing-an-industry-in-transition>

