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# A Prescription for Customer Engagement: An Inside Look at Email Marketing for the Pharmaceutical Industry

Epsilon's Email Branding Study

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## Introduction

Email is a cultural and marketing phenomenon. In its relatively short lifetime, email has become so widespread and so often used that it has firmly been established as an integral part of a multi-channel marketing scheme, surpassing other channels in almost every dimension – volume, frequency, and ease of execution, just to name a few. With increasing email volumes and the proliferation of spam, this powerful communication channel and those looking to use it face savvy consumers able to weed through hundreds of messages looking for only the most relevant of information.

Email is a vital link between marketer and consumer that can provide companies with rich information about a company's products and services and in turn, give a marketer crucial insight into buying behavior. As this study shows, the impact of email extends well beyond the boundaries of opens and clicks on individual campaigns, and must be optimized and measured as an important part of an integrated media mix

Epsilon's email branding study was designed to deliver insights on the effectiveness and impact of permission-based email as part of a multi-channel communications strategy. The study delves into a number of different industries: consumer packaged goods, financial services, *pharmaceuticals*, retail and travel.

### In this report - PHARMACEUTICALS

We reveal findings below regarding consumers' feelings and reactions to email marketing messages from pharmaceutical manufacturers. Based on the sample that receive email information from these companies, the average consumer has opted-in to email communication from 2.72 different companies including large-scale drug manufacturers and individually branded programs for specific medications.

Of those who receive permission-based email from pharmaceutical firms, 86% say that email is a great way to learn about new products coming on the market –

this compares to 81% who responded similarly about email from financial services companies and 92% for travel offers. Email is becoming a key facet of marketing and advertising for pharmaceutical firms, as companies face increasing scrutiny over privacy and regulatory concerns. By striking the right balance with consumers, email can advocate benefits of new and existing products, while also serving as a resource for medical education, affordability and compliance.

This study captures email-provoked activities by consumers that are not quantifiable by typical email metrics such as open-rates and click-throughs.

### Technology complements professional advice

This nationwide survey shows that while consumers primarily ask their doctors about drug information, online resources have gained popularity as a trusted source of medical information.

While the survey's respondents favor the traditional approach of speaking in-person with their doctor about new pharmaceutical products, Internet and email are also cited as a go-to source. In the survey, medical and pharmaceutical websites outranked an in-person conversation with a pharmacist as a preferred method to learn about pharmaceutical products. Additionally, the study showed email information from a specific brand or company ranked higher than other forms of (offline) advertising or marketing.

**72% of respondents prefer to learn about pharmaceutical products from their doctor, and over half also use websites to gather information.**

How do you prefer to learn about pharmaceutical products? (Check all that apply) (N=207)



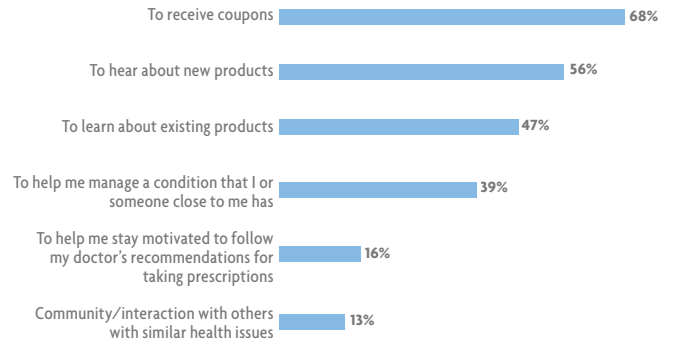
**Subscribers seek discounts and personal attention**

The majority of consumers use the email communications they receive to seek out coupons from manufacturers, as well as learn about new and existing products. Others who use prescription medications view email as a source of support in their medical care. Just over half of those who subscribe to emails use it as a means to remind them to take their medication, as well as manage common side effects.

Consumers who opt-in to emails overwhelmingly agreed it is a great way to learn about new products. However, as evident across a number of industries in this study, people prefer personalized content. Consumers' interest is likely limited to their personal health or that of their close family members and friends, thus pharmaceutical companies should customize data so it is relevant and personal.

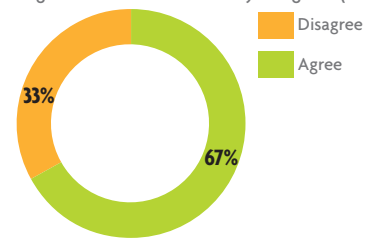
**The primary reasons respondents opt in to receive email from pharmaceutical companies is to get coupons and learn about new and existing products.**

Why do you subscribe to receive email from pharmaceutical companies? (Check all that apply) (N=207)



**Two-thirds of respondents who receive email from pharmaceutical companies want to receive personalized content based on their website activity, condition history, etc.**

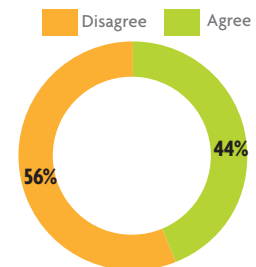
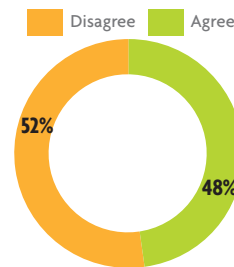
Pharmaceutical companies should send me email with content based on things they know about me (e.g., website activity, things I've told them about my condition) rather than generic content that everyone gets. (N=207)



**Nearly half of respondents say the email they receive from pharmaceutical companies helps them stay on their medication.**

Email I receive from pharmaceutical companies helps me stay on my medication reminding me to take my medication, helping me to manage side effects or providing other support. (N=207)

I am more likely to stay on a drug from a brand or pharmaceutical company that sends me an email. (N=207)

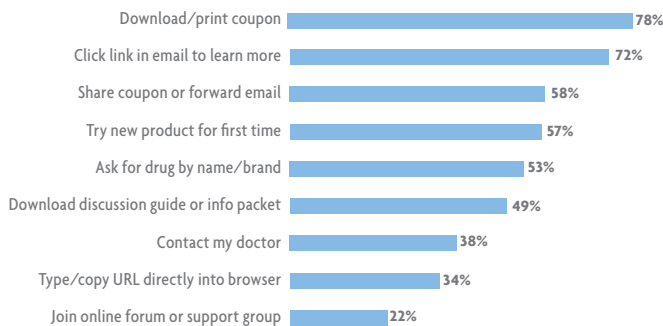


## Ask for it by name...

The study, intended to analyze activities that take place offline or cannot be measured via click-through rates, reflected that email elicited a variety of actions. The majority of respondents downloaded a coupon or clicked a link within an email and more than half of respondents tried a new product for the first time or asked their doctor for a product by name or brand. The goals of direct-to-consumer marketers often include these key actions taken by patients as a result of email communications.

### Email sent by pharmaceutical companies is effective in eliciting action from consumers.

How often do you take the following actions as a direct result of receiving an email from a pharmaceutical company?  
(Four point scale - Summary top 2 box) (N=207)



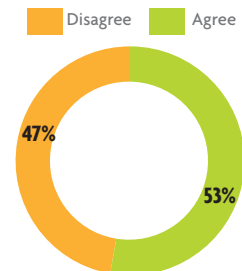
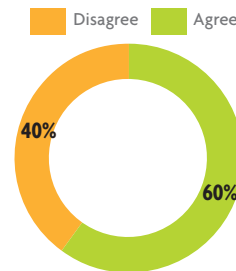
## Prime the customer relationship

The data shows that consumers generally have a more favorable opinion of, and are more loyal to, pharmaceutical companies that send them email communications. Brand loyalty remains highly desirable by marketers, and the survey suggests that email can effectively contribute to building loyalty and fostering the customer relationship. Pharmaceutical companies ranked higher than retail, financial services and travel for both of these.

### The majority of respondents who receive email from pharmaceutical companies have a more favorable opinion of, and are more loyal to those companies.

I have a more favorable opinion of the pharmaceutical companies that send me email because of the communications I receive. (N=207)

The email I receive from pharmaceutical companies makes me feel more loyal towards those companies and their products. (N=207)



## Methodology

Epsilon's 2008 email branding study was conducted in October 2008 by ROI Research, of Lancaster, PA, and compiles data from 1,517 responding consumers who receive permission-based email. The study focused on five specific vertical categories: CPG, financial services, pharmaceuticals, retail and travel. Respondents were screened for current receipt of permission-based email in each category. In addition to vertical-specific questions, the survey included a section of questions about permission-based email in general, which was compared to a similar 2005 survey on the same topic. The data has a sampling error of +/- 2.5%.

## For More Information

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