

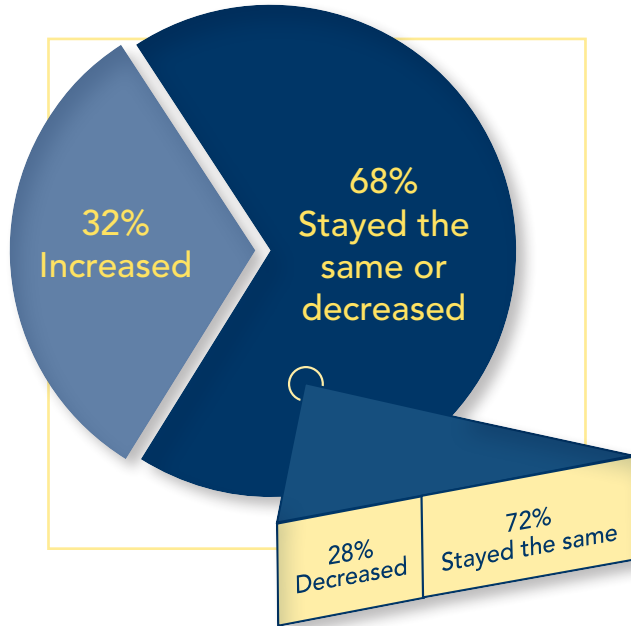


2011 HEALTHCARE MARKETER SURVEY RESULTS

At Beacon...WE HEAR YOU!

We asked you to share the major trends and developments in healthcare most affecting you and your brands to help agencies and marketers get on the same page. And thanks to your response, here's what we heard.

Professional Marketing Budgets



Limited Physician Access Continues to Impact Marketing Effects

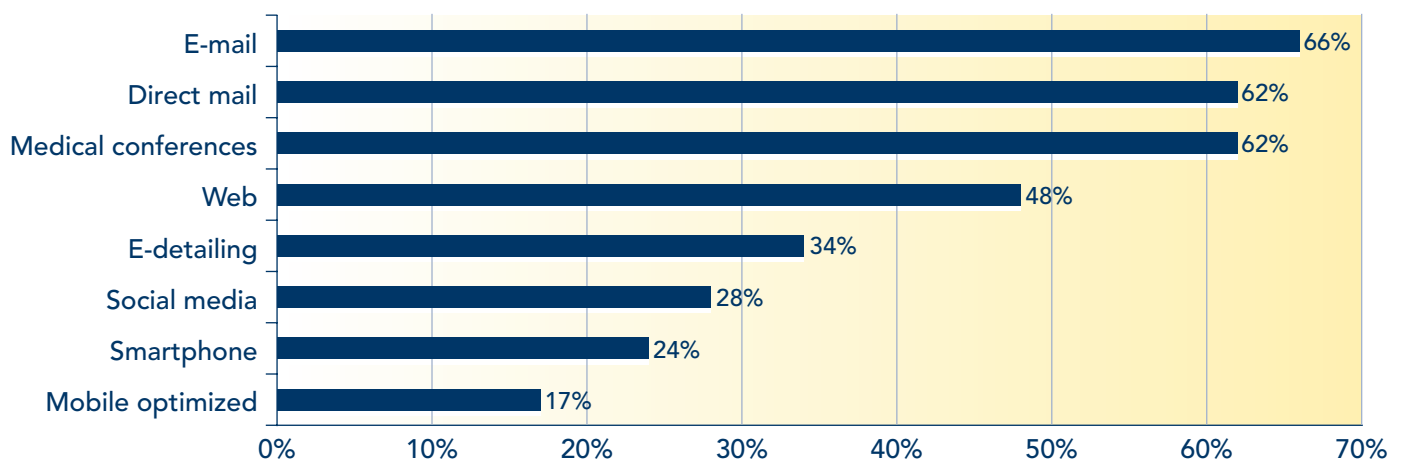
The overwhelmingly consistent theme amongst you and your colleagues is your frustration with ever-decreasing access to physicians, severely impacting your ability to market to this key target audience. In fact, this ranked highest as the greatest challenge in marketing pharma brands today.

While about one third are enjoying increased budgets this year, a majority are being asked to reach target physicians with the same or fewer dollars than last year (see chart, left).

Marketing Mix is Shifting to New Media Channels

Faced with shrinking budgets and decreased sales force effectiveness, most of you are using traditional alternate means of reaching physicians – e-mail, direct mail, medical conferences. Though still a minority, some marketers are beginning to adopt newer tools, with about one third using e-detailing and about one quarter employing social media and Smartphone apps to reach target physicians.

Channels used to reach physicians



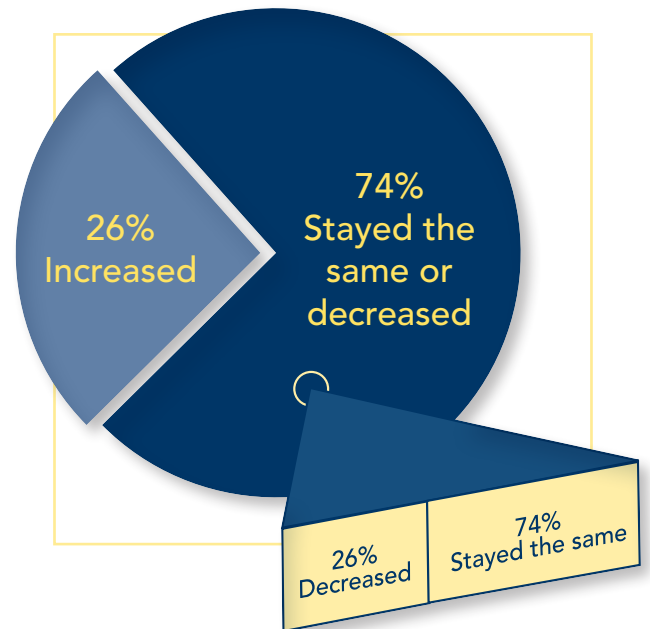
“Newer Media” is Making an Appearance in More Patient Marketing Plans

Not surprisingly, patient marketing budgets are more susceptible to being held constant or shrinking than are professional budgets. Though one quarter have the luxury of increased budgets, three in four are tasked with communicating with patients using the same or fewer dollars than last year (see chart, right).

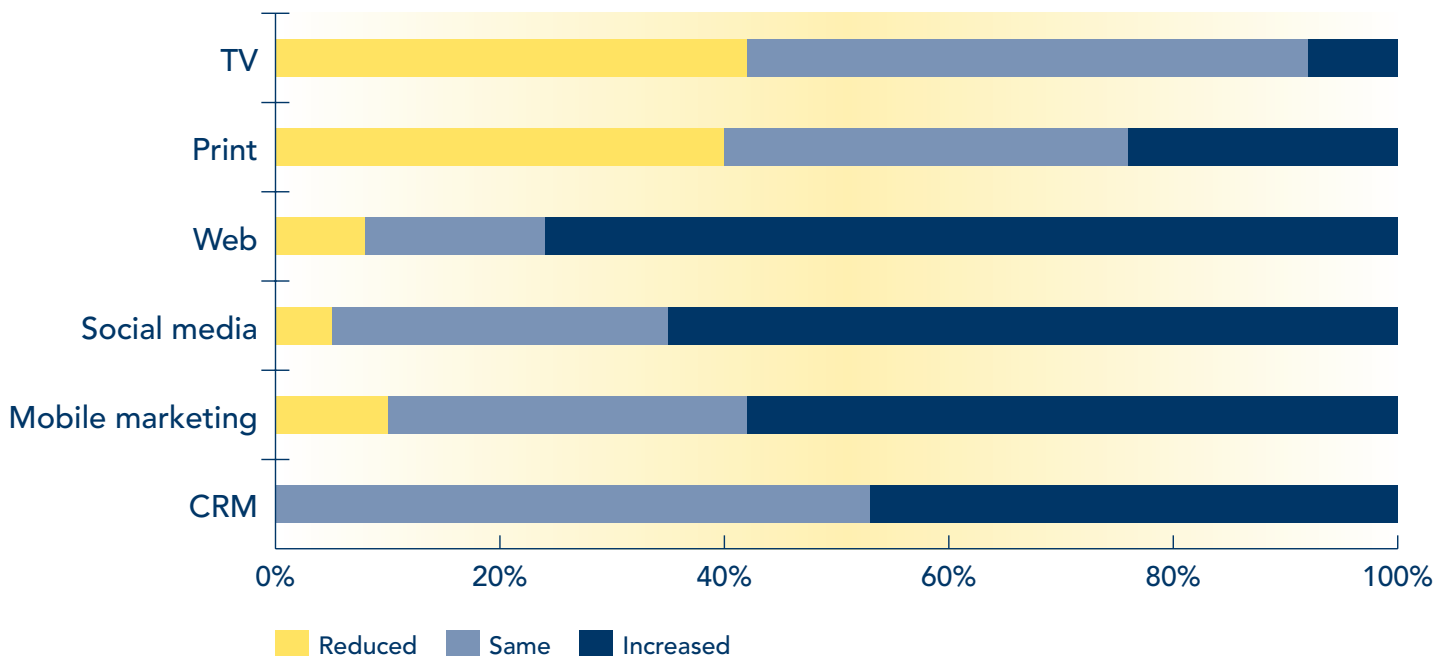
DDMAC Scrutiny is Presenting a Challenge to Patient Communications

Exacerbating the challenge is increased DDMAC scrutiny. A majority agree that this has severely impacted ability to market to patients, with about one in four admitting that it has caused them to shift media dollars into areas with less scrutiny.

Reallocating media dollars to do more with less continues to be an overriding theme. Dollars allocated to traditional TV and print continue to shrink, while more personalized approaches driven by newer technology are making their way into patient marketing plans. An increased proportion of patient marketing budgets are being allocated to Web, social media, mobile marketing and CRM initiatives.



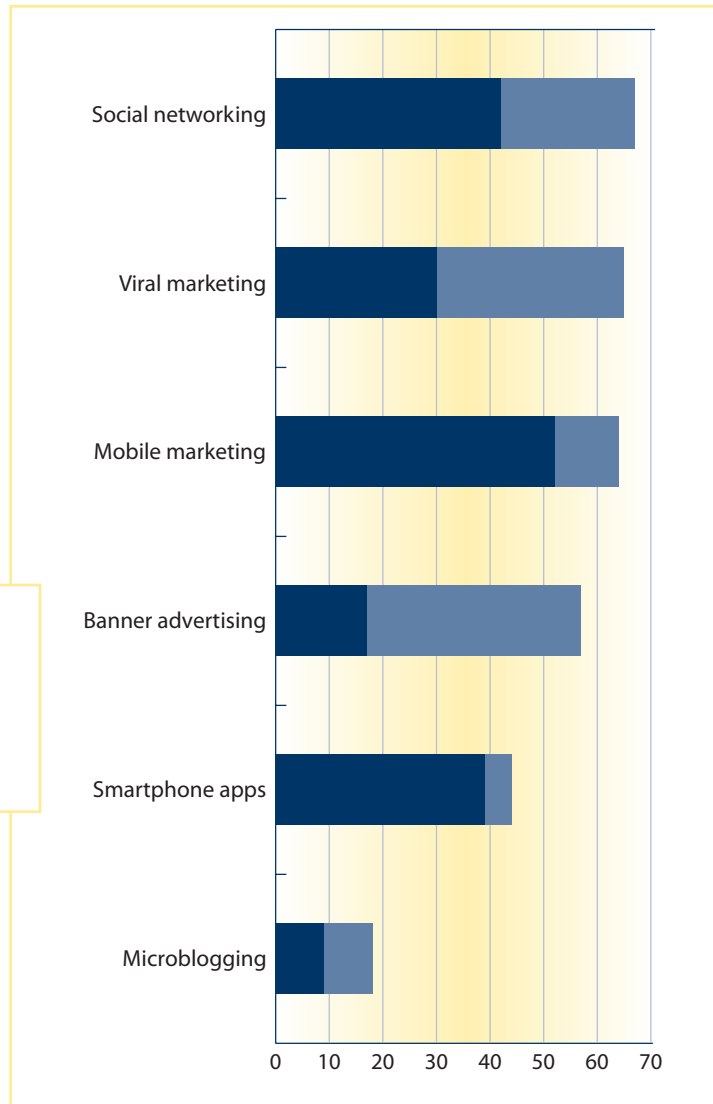
Allocation of media dollars



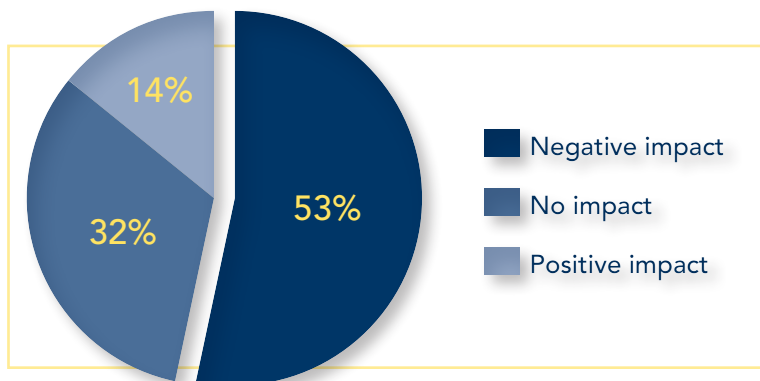
Adoption of emerging media

Emerging Media is Slowly Being Adopted into Media Plans

A majority are now using social networking, viral and mobile marketing, and banner ads to reach target patients, while the use of Smartphone apps is coming on board quickly. Microblogging (Twitter) is being adopted more slowly, though it has made its way into nearly one in five media plans, half of those for the first time in 2011.



Impact of Healthcare Reform on Business

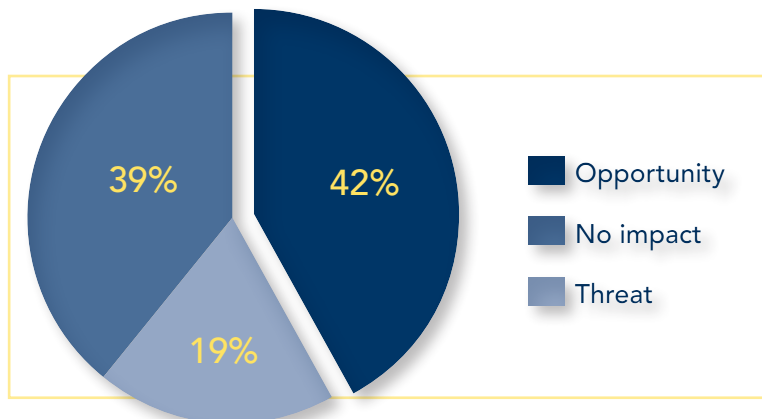


Healthcare Reform is Compounding the Negative Impact of Government Oversight

Compounding the marketing challenge in addition to budgetary cuts, DDMAC scrutiny and dwindling physician access are governmental enactments.

About half are feeling negative impact from healthcare reform...

Attitudes Toward the Center for Comparative Effectiveness



And about two in five consider the Center for Comparative Effectiveness to pose a threat to their business.

Summary

Getting your message out to clinicians is an ever-increasing challenge, with sales force access dwindling while budgets are being compressed. Being heard by target patients is increasingly more challenging as well. Adoption of new and innovative communication tools (E-detailing, social media, Smartphone apps, mobile marketing, microblogging) is emerging slowly, and will be critical to business success.

We Hear You...

At Beacon, we have a dedicated Strategic Insights & Planning team that has its finger on the pulse of the industry. Our rich understanding enables us to lead our clients through the challenges of today's pharmaceutical marketplace. We understand what you're going through, because we've been there too...in professional, managed markets, DTC and interactive. Talk to the agency that knows how to listen. Give Adrienne Lee a call at (908) 781-2600 or send her an e-mail at aalee@beaconhc.com.