

## THOUGHT LEADERSHIP SERIES

Providing insights on business issues that influence how you manage your brand

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# brandlogic

## Healthcare marketing and social media

Federal policy makers are talking once again about reforming the healthcare system in the U.S. – and this time, it looks like they mean business. This wave of change will force healthcare marketers – in big pharma, in HMOs and other provider organizations, and in medical device manufacturers of all kinds – to rethink their brands, their customer relationships and their media choices in fundamental ways. In this article, we offer our perspectives on how social media can be used to succeed in this new and ever-changing environment.

### Consumers in control

Never before have consumers had so much access to health information, largely because of the growth in Web access and healthcare-specific sites like WebMD. Because consumers are becoming more informed about healthcare choices in general, healthcare marketers need to provide a greater level of transparency and simplicity when it comes to explaining and promoting their offerings.

The “consumerization” of healthcare emerged more than a decade ago, led by pharmaceutical companies who recognized the need to create brands around specific compounds or therapeutic categories and invest heavily in direct-to-consumer (D2C) brand-building. For marketers who are trying to defend or grow their position in a specific therapy, making an investment in branding is now a requirement for establishing mindshare and, ultimately, growing market share.

We believe the next sub-sector of healthcare that will undergo a rapid process of consumerization is health insurance. Whatever emerges as the ultimate direction of healthcare reform from Washington, it will likely require a massive re-education of consumers about the options they will have to choose from, as well as a re-evaluation of their relationships with their current providers. Traditional providers like Aetna, Humana, Cigna, United Healthcare and others – who see their primary customers as businesses – will need to take a hard look at how they can establish deeper relationships directly with consumers.

Many healthcare brands have not yet capitalized on the emerging opportunity to build deep, emotionally driven connections directly with consumers. Especially behind the curve are hospital networks, medical device manufacturers and many health plan providers. Consumer empowerment plays a strong role here: while insurance companies or physicians may drive initial purchase selection and usage, consumers are increasingly in charge of their own destinies. Building a loyal brand relationship can be the most efficient and cost-effective approach to securing repeat business from consumers who are more in control of where their healthcare dollars are spent.

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### **Leverage the power of social media**

It's clear that raising awareness and driving brand recognition is critical, but what's the best, most cost-effective way to get started if you're one of the branding laggards we described earlier? If you can't get approval for a massive advertising budget, like the pharmaceutical companies do for their blockbuster drugs, how can you extend your reach to thousands if not millions of consumers?

Social media – which encompasses a wide range of properties including Facebook, MySpace, Twitter, YouTube and others – is drawing a lot of attention from marketers, and for good reason. Social media, used in concert with a holistic online strategy that includes a solid Web presence with Web 2.0 features, such as consumer reviews and other user-generated content including blogs and special interest community sites, is a powerful opportunity and a great equalizer. These channels can give your brand unprecedented opportunity to develop lasting relationships and greater intimacy with consumers. It's also highly cost-effective – because of the self-selecting nature of Web site visitors, the same level of exposure provided by mass-market advertising can be achieved for significantly less capital investment.

There are some keys to social media success that are often misunderstood by marketers:

- Sustained effort is required. Just like advertising, impressions developed over a long period of time make a difference. So, you can't just jump in and then let the effort lose momentum.
- Social media is resource-intensive. It takes a high degree of organizational commitment to be successful, compared to more traditional brand-building activities that are handled solely by the marketing department.
- Authenticity is essential. This is the most important principle of all. You can't outsource the work – it has to come from within. It requires internal stakeholders' commitment to engage in online dialogues and build sustained relationships with customers.

If you and your teams can make the commitment, eventually your work will turn customers into evangelists. Giving your customers a stake – helping them become involved in their own therapy and share their positive experiences with other patients – is the pinnacle of social media. This will lead to a stable environment that will become your most powerful form of influence to drive revenue.

A positive side effect of using social networking to build a powerful brand is the halo effect on other brand relationships. Specifically, a strong consumer brand can drive your business-to-business (B2B) channel relationships too. There is nothing like the influence of patients, strong reputation and market momentum to drive preference deeper in the B2B channel. If consumers are asking for, even demanding, your product or service, those responsible for buying it on behalf of consumers will get the message.

Social networking is a powerful tool, but it needs to be integrated into your overall online strategy and mission to develop direct brand relationships around therapies. If you start with the right perspective, tools and commitment, your online strategy can deliver much better business results and stronger, longer-lasting relationships with consumers and channel partners.

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CEO and Managing Partner

Hampton is CEO and managing partner of Brandlogic and oversees client engagements in all practice areas, with a special focus on brand and identity strategy and consultation. He has over 15 years of experience in corporate brand identity, marketing communications and interactive media.

Because of his background in Web, marketing, communications and brand strategy, he has the unique ability to guide the implementation of strategy across media, a skill clients value to help maximize their potential. His particular emphasis is on advising companies how to leverage their identity program to achieve business objectives. Hampton has provided the strategic direction for the development and implementation of identity systems, brand management and corporate communications for clients such as Avon, BD, Chevron, IBM, John Deere, Lincoln Financial, Merck, Texaco, The Hartford, Travelers, UPMC, Wyeth and Xerox.

A recognized thought leader on environmental, social and governance (ESG) factors and their effect on brand and reputation, Hampton is continuously exploring ways that corporations can utilize Integrated Reporting principles to build business value.

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