

# Social Media Influence: Foundational Learning for Pharmaceutical Firms



*Consumers' use of social media to learn about brands and make purchase decisions has risen substantially in just the past year – yet varies by category – according to research by Knowledge Networks and MediaPost Communications. Tapping into the syndicated findings from *The Faces of Social Media*<sup>SM</sup>, marketers can better understand how to listen and learn from segments most influenced by social media.*

BY ALBINA ITSKHOKI

**S**ocial Media's (SoMe) relationship with pharmaceutical companies has been complicated. In 2010 the FDA sent 22 warning letters to pharma companies triggered by their use of SoMe and digital marketing. And Facebook gave pharma marketers pause when it announced that it would no longer allow comments to be disabled on brand pages, raising the possibility that Facebook users could post comments about side effects, off-label uses and other topics that would trigger adverse event reporting. FDA's DDMAC (now OPDP) has continually postponed providing clear guidance to marketers on how to approach SoMe.

Yet Rx and OTC marketers are using SoMe, frequently with a more subtle approach than traditional advertising. Sanofi, Boehringer-Ingelheim and Novo Nordisk, for example, have all launched programs that encompass SoMe to help diabetes patients manage their condition. The medium's inherent ability to enable pharmaceutical firms to hear points of view

and ideas, build relationships and sustain deeper, more personal connections is ideally suited to pharma marketers' goals; but the uncontrolled nature of the conversation poses regulatory concerns.

The medium is not going to go away, people will use it to not just talk to their friends, but become fans of pharma brands; and the concern in some pharma firms also will not go away. So, what should Rx firms harness from SoMe information that enables them to understand how it influences treatment choices? Developed by Knowledge Networks and MediaPost Communications, *The Faces of Social Media*<sup>SM</sup> clarifies the marketing consequences of SoMe for purchase decisions across product categories, including Rx and OTC medications, among six SoMe segments.

## **SoMe usage trends**

The time is right to consider this marketing and research question, as SoMe is becoming an essential part of consumers'

everyday lives. According to MultiMediaMentor® by Knowledge Networks, SoMe now accounts for 16 percent of *all* Internet time. Almost one-third (28 percent) of the U.S. population 13 to 80 years old are daily users of SoMe in 2011, up from 21 percent in 2010. The proportion of daily users among Rx and OTC buyers is the same as among the total population (26 percent and 28 percent respectively).

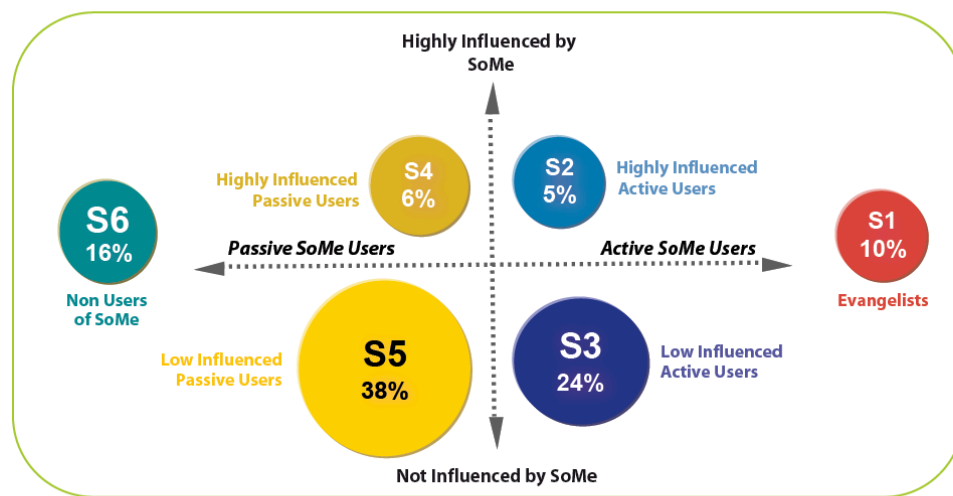
SoMe also plays an important role as a source of information for purchase decisions. One in five SoMe users (38.1 million people, up 14 percent from 2010) says SoMe has influence on his or her purchase decisions. This is most commonly associated with learning about or discovering unfamiliar brands, products or services.

Another notable change in characteristics of SoMe use in the past year is the move to mobile. In 2011, 40 percent of SoMe users claim to use a smartphone or other mobile device to interact with SoMe vs. 28 percent in 2010. Mobile SoMe users are more than twice as likely to interact with SoMe outside of their homes compared to non-mobile SoMe users (56 percent vs. 21 percent). While shopping, mobile SoMe users are most likely to use SoMe to compare/check prices (27 percent) and check reviews for brands, places or services (24 percent). This is of particular interest for OTC marketers, as it means more users can be influenced at the point of purchase.

### Segmenting SoMe users

Not all SoMe users are created equally. Users and usage differ by product category. The Faces of Social Media<sup>SM</sup> research has identified six distinct segments of SoMe users. Each segment has unique SoMe behavior and mindsets (see Chart 1):

Chart 1: SoMe Segments (% Population 13-80 years old)



These SoMe segment sizes are the same when filtered by Rx and/or OTC medication users.

- 1. Evangelists** (10 percent of the total U.S. population 13 to 80 years old). The most active in posting and writing about brands, but not necessarily influenced by SoMe, Evangelists tend to be younger, skew female and ethnic.
- 2. Highly Influenced Active Users** (5 percent). Active in posting/writing about brands but not to the level of Evangelists; this youngest segment is heavily influenced by SoMe in their purchase decisions.
- 3. Low Influenced Active Users** (24 percent). Despite their active use of SoMe, these people are not influenced by SoMe in their purchase decisions. They tend to be younger and less educated than average.
- 4. Highly Influenced Passive Users** (6 percent). Better educated and older, this segment uses SoMe less frequently, posting status updates and writing blogs less than once a week. Despite their passivity, SoMe influences their purchase decisions.
- 5. Low Influenced Passive Users** (38 percent). The most infrequent users of SoMe, this segment is older and male,

### Foundational Learning for Practitioners

1. The influence of SoMe on purchase decisions is growing rapidly. This is a medium that marketers cannot ignore any longer.
2. Not all SoMe users are created equally – 19 percent are influenced by SoMe and 10 percent tend to be influencers, but they have different levels of interaction with SoMe.
3. Younger, single, more ethnic (African-American) consumers are most influenced by SoMe in the Rx and OTC product categories.
  - SoMe programs and promotions targeting these types of patients and caregivers will deliver more engagement.
  - SoMe can be harnessed in public health compliance programs to influence these young, single, ethnic-oriented Rx users.

**Table 1: Demographic Summary of People Influenced by SoMe**

	Gen Pop 13-80 years old	People influenced by SoMe in Rx treatment choice	People influenced by SoMe in OTC treatment choice
Mean age	46	40	38
% Married	56	39	36
% Ethnic	30	45	46
% African-Americans	11	23	18
% Hispanics	14	16	18

and enjoys higher education levels. SoMe has very little influence on their purchase decisions.

**6. Non-Users** (16 percent). Non-Users of SoMe are the oldest segment of people and also tend to be less educated.

**A category perspective on SoMe influence**

To better understand how SoMe influences consumers’ purchase decisions, we looked at SoMe influence across 39 different product categories. Users are more likely to be influenced by SoMe in categories where the price of entry is high, and where there is greater purchase involvement on the user’s part: travel, theatrical movies, consumer electronics, fine dining restaurants, and automobiles. The Faces of Social Media Category Influence Scores for prescription medications and OTC brands came in slightly below the midpoint of 100 – at 85 and 78, respectively.

Although the Rx and OTC category influence scores were slightly below average, consumers influenced by SoMe in these categories still amount to over 10 million people. These Rx and OTC consumers influenced by SoMe are more likely to be younger, single and ethnic (see Table 1).

**Marketing applications**

SoMe listening and learning for the marketing suite is still an experiment for many Rx and OTC firms; our work identifies audiences and implications that are better suited for SoMe. This research shows that we cannot make blanket assumptions about SoMe users any more than we can about Rx and OTC buyers. **DTC**

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