Healthcare & Pharma Industries Assessment 2023
Introduction
Explore NBCUniversal’s latest perspectives and insights into the Healthcare & Pharma industries. This report provides an overview of recent marketplace dynamics, our prediction of key future trends impacting the industry, and strategic recommendations for Healthcare & Pharma brands and marketers as they navigate what’s next.

Our Approach
At NBCUniversal, we have a legacy of working with a diverse range of Healthcare & Pharma partners to build their brands. This report has been created based on NBCU’s:
• Ongoing Industries Evaluation
• Conversations with Healthcare & Pharma Advertisers and Agencies
• Continual Marketplace Analysis
• Examination of Consumer Attitudes towards the Healthcare & Pharma Industries
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01. Looking Back: 2023 in Review
02. Looking Ahead: Key Industry Trends to Watch
03. The Power of Advertising & Media Trends to Watch
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NBCUniversal Has a Unique Perspective

Pharma Industry Advertisers

Pharma DTC (incl. Biotech)

Healthcare Industry Advertisers

Digital Pharmacies

Healthcare Public Service / Non-Profit

Healthcare Providers

Consumer Medical Products & Devices

Professional Equipment & Services

Health Insurance

Healthcare Services

Other

Note: This is not an exhaustive list
Looking Back
2023 IN REVIEW
For Healthcare & Pharma, 2023 was the year of

Navigating the Spotlight

as people continued to lean into the health conversation as a society
### Healthcare & Pharma Brands Navigate the Spotlight in 2023

#### Healthcare & Pharma

**Cost of Healthcare in the Public Eye**

One of the long-lasting effects of COVID is the larger focus on social determinants of health and their impact on health equity and accessibility. This focus has resulted in increased conversation around the **high cost of drugs** for all parties involved (patients, insurers, employers, etc.).

#### Pharma

**Steady Wave of Approvals**

An increased focus on M&A and R&D boosted drug pipelines this year, with 35 FDA approvals as of August 2023, 2x as many as STLY. Coupled with high profile patent expirations, this led to a more crowded landscape which will only continue.

**Off-Label Use Reducing Accessibility**

As some drugs became popular for unintended conditions, the surge in demand, especially from celebrities, led to supply shortages and rising costs for patients, such as those with diabetes, trying to access and use the medications as intended.

**Mindful Communication at the Forefront**

Humanizing communication became even more essential – from being more conscious of people’s attitudes, behaviors, and journeys to connecting with audiences in need. For example, brands & providers turned to social (e.g., TikTok and Reddit) to meet people where they search for and talk about health info.

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Sources: 1. IQVIA, March 2022; 2. FDA, August 2023; 3. Fierce Pharma, March 2023; 4. Truveta Research, June 2023; 5. MM+M, June 2023
BRANDS ACROSS HEALTHCARE SUB-CATEGORIES ARE
Adapting To The Cultural Shifts Impacting The Industries

Individual Health Insurance Market
Ahead of the 2024 standards change from CMS, 2023 has been a year of growth in plan participation and increase in plans and options offered as the market strived to meet the needs of consumers and address access to healthcare.

- **17%**
  The percentage increase of plan options from insurers in 2023 vs. 2022\(^1\)

Retail Health Clinics
Retail Health Clinics continue to disrupt the healthcare landscape, leveraging their large physical presence to meet the demand for convenient care options and better serve underrecognized communities.\(^2\)

- **+200%**
  The increase in utilization that retail health clinics have seen over the past five years\(^2\)

Hospitals & Health Systems
As the industry puts a greater focus on value-based care (high quality, convenient, and affordable medical care), legacy providers are even more vulnerable to disruption from retail health clinics and virtual care providers.\(^3\)

- **20%**
  of U.S. adults haven’t accessed health or wellness services in the past year, most often citing not needing to (31%) or high costs (23%)\(^4\)

Telehealth
The rise in telehealth (e.g., hims & hers) has contributed to the rise in remote prescribing. While increased access to medication is often positive, there is also an increased risk of supply shortages or addiction to medications such as Adderall and Ketamine.

- **Nov. 2023**
  The date to which the U.S. COVID-19 telemedicine flexibilities for prescribing controlled substances have been temporarily extended\(^5\)

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Key Healthcare & Pharma Headlines from 2023

**COVID**

5/5/23

“WHO chief declares end to COVID-19 as a global health emergency”

**WOMEN’S HEALTH**

7/21/23

“The FDA approved the US’ first over-the-counter birth control pill. What happens next?”

**VACCINES**

7/22/23

“The CDC is preparing for a winter with ‘3 bugs out there’: Covid, flu and RSV

*Vaccine fatigue is already here, although many Americans will be urged to get three different shots this fall.”*

**ACCESSIBILITY**

8/29/2023

“U.S. Announces First Drugs Picked for Medicare Price Negotiations”
**MARKETPLACE PARTNERSHIP EXAMPLES**

Evolving Communications, Media Strategy, & Storytelling

**Educating Social Influence**

GSK released an **unbranded campaign** titled “It Will” to **raise awareness of the serious risks of lupus**, by flipping the statement to “I Will.” The effort partnered with lupus patients, caregivers, and HCPs and focuses on the need to take preventative measures – particularly for Black/AA audiences and women.

**Igniting Emotion Via Interactive Experiences**

Amazon joined the Ad Council’s Sound It Out campaign to introduce the “When You Can’t Say It, Play It” digital experience, giving parents and caregivers the tools to be **more in tune with their teen’s emotions** through curated music, available in English and Spanish.

**Influencing Perceptions With Mass Awareness**

Moderna released an ad campaign Moderna – “Welcome to the mRNAge.” with the goal of **establishing itself as a leader within medical research**, showcasing their mRNA innovations and being much more than just a COVID vaccine.

**Aligning with Authentic Celebrity Voices**

Dexcom **continued their partnership with spokesperson and Type 1 Diabetic Nick Jonas** for a spot airing during the Super Bowl for the second straight year after proven success. Last year’s spot helped Dexcom add 800,000 users alone.
Looking Ahead

KEY INDUSTRY TRENDS TO WATCH
Looking Ahead

Key Healthcare & Pharma Trends Including Emerging Sub-Categories We Expect to Influence Marketing & Media Strategies

- More Investment in Tech & Innovation
- Making Strides Toward Closing the Health Equity Gap
- Looking Beyond the Doctor’s Office
- Recognizing the Scale of the Patient-Care Ecosystem
- Emerging Sub-Categories & Brands
  - Alzheimer’s Prescription Drugs,
  - Women’s Health (FemTech)
More Investment in Tech & Innovation

Uncovering solutions to concerns for which both patients and providers have yet to find answers.

Prioritizing tech advances in the R&D phase – like with Gen AI – can lead to better awareness, access, and affordability of care once in the hands of patients and their providers as they navigate their journey, from diagnosis to management.

As we advance forward, the industry will work toward evolving and incorporating new tech like Gen AI vs. running away from it.

Research & Development

emerging tech used for mRNA vaccine advancements beyond COVID-19

Pandemic Preparedness
Self-amplifying tech used for infectious diseases (e.g., Arcturus Therapeutics & CSL)\(^1\)

Rare Diseases
25-30M Americans have a rare disease, but there are currently no therapies available for 95% of them\(^2\)

The Unknown
Tech can help tackle budding diseases that have the potential to increase in impact (e.g., fungal)\(^3\)

Diagnosis & Treatment

New machine learning used to more accurately evaluate & care for patients

Full-body MRI Scans
E.G., Prenuvo Detects 500+ Conditions\(^4\)

Image Editing
E.G., Ezra’s Full-body Flash\(^4\)

Genomic Sequencing
E.G., Dartmouth’s Center For Precision Health & AI\(^5\)

Health Management

investments in Digital Therapeutics to play a critical role in future chronic-disease management, including adherence

EXAMPLE PARTNERSHIP
Bayer’s Consumer Health signed a deal with Mahana Therapeutics supporting prescription DTx for chronic conditions\(^6\)

Making Strides Toward Closing the Health Equity Gap

Moves from the government and increased conversation inches us closer, knowing there’s still work to be done.

Increased coverage and cultural movements around health issues impacting these communities will lead to more recognition among the masses, with brands recognizing the urgency to improve and prioritize their care.

Signs of Movement Toward Closing the Gap
From growing markets to government investments

Women's Health
Predicted to be worth over $47B by 2026, +4.5% CAGR (’21–’26)²

LGBTQIA+ Health
Sex reassignment surgery market expected +11.5% CAGR (’23–’31)³

Multicultural Health
Cancer Moonshot Initiative: $108M for tribal community needs; $50M to FDA for underrepresented in clinical trials³

Advancements Are Getting Talked About

WOMEN’S HEALTH
FDA Approvals
for medications like the abortion, postpartum depression, and OTC birth control pills

LGBTQIA+ HEALTH
Eliminated Restrictions
by blood banks for gay and bisexual men proposed by the FDA thanks to new tech

MULTICULTURAL HEALTH
Diversity in Clinical Trials
Pharma companies aim for more accurate representation after years of medical mistrust among Multicultural communities

Sources: 1. Med-Tech Insights; 2. Research and Markets; 3. HHS
Looking Beyond the Doctor’s Office

From the start of the pandemic to now, how people use telehealth is changing.

With tech advancements and evolving consumer behaviors, virtual care capabilities are becoming more fragmented, but also, more normalized. Ensuring the experience is as seamless as it can be will be the tipping point to advertising.

Virtual Care

Then

**APPROACH:** Reactive and general

**USES:**
- primary & urgent care

**EXAMPLE TYPES OF CARE:**
- telemedicine;
- patient portal communications

Now

**APPROACH:** Proactive, normalized and nuanced

**USES:**
- condition-specific, second opinions

**EXAMPLE TYPES OF CARE:**
- remote patient monitoring;
- evolved digital communications (e.g., texting, advanced portal tracking)

Sources: 1. Healthcare IT News
Recognizing the Scale of the Patient-Care Ecosystem
Rethinking business models and modernizing how the industry communicates at a mass scale for advertising to be customer centric and align with changing expectations

### CUSTOMER NETWORKS
A new pipeline that reflects their needs

- **Patients**
- **Caregivers**
- **Healthcare Providers**
- **Generations** (e.g., Mature adults to Gen Z)
- **Lifestages** (e.g., parents)

### COMMUNICATION
Reach networks where they are, not where brands want them to be

- **Data & Targeting** (e.g., target by disease state to connect with patients)
- **Cross-Platform** (e.g., co-viewing & second screen to reach families)
- **Digital Marketing** (e.g., email, webinars to connect with HCPs)
- **Social Media** (e.g., TikTok for Gen Z)

### CREATIVE
Communicate with messaging that makes them feel heard, giving relevant info to their situation

- **Passion Points** (e.g., humor, sports, entertainment)
- **Tips** (e.g., provider myth busting social videos)
- **Relevance** (e.g., utilizes talent and messaging related to the network’s experience)
- **Timeliness** (e.g., understands where people are in their care journey, from diagnosis to treatment and recovery)

Sources: 2023 Xpectives Conference, FiercePharma’s 2023 Digital Pharma East
DISEASE STATE TO WATCH
Alzheimer's Prescription Drugs

Why to Watch

$13B
Projected 2031 Global Market Size | +8.1% CAGR from 2022

141
drugs in the development pipeline for Alzheimer’s, as of January 1, 2022

Ad Spend

$0
Alzheimer’s Prescription Drug 2022 U.S. Ad Spend

Why it matters: Developments in this space are increasingly part of the cultural conversation, are relevant to the care network of those with Alzheimer’s (i.e., caregivers, family, HCPs, etc.), and education (paid advertising) is important for a brand-new category

Brands to Watch

IN MARKET

Aduhelm
(aducanumab-awwa)
(Biogen)

LEQEMBI
(lecannemab-imab)
(Eisai & Biogen)

IN PIPELINE

Donanemab
(Eli Lilly)

Gantenerumab
(Genentech & Roche)

ON LEQEMBI’S FDA APPROVAL:
“I don't think we can understate the significance of this moment.”
- Donna Wilcock, Assistant Dean of Biomedicine at the University of Kentucky


What it is: “A new category of medications that target the underlying disease process of Alzheimer’s, instead of only treating the symptoms of the disease”
**SUBCATEGORY TO WATCH**

**Women’s Health (FemTech)**

**What it is:** “Health software and tech-enabled products and services that cater to women’s health needs.”

**Why it matters:** FemTech is increasingly part of the cultural conversation; investing $300M in women’s health research will generate over $13B in global economic returns.

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**Brands to Watch**

<table>
<thead>
<tr>
<th>Brand</th>
<th>Why to Watch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clue (Intimate Health)</td>
<td>(Menopause)</td>
</tr>
<tr>
<td>Joylux (Menopause)</td>
<td>(Digital Clinic)</td>
</tr>
<tr>
<td>Maven (Telemedicine)</td>
<td>NURX (Telemedicine)</td>
</tr>
<tr>
<td>Flo (Menstruation/Fertility)</td>
<td>Carrot (Fertility)</td>
</tr>
<tr>
<td>Kindbody (Fertility)</td>
<td></td>
</tr>
</tbody>
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**Why To Watch**

**$103B**

Projected 2030 Global Market Size | +8.1% CAGR from 2022²

Over 60% of FemTech startups were founded in the last five years.

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**Ad Spend**

**$23.7M**

FemTech 2022 U.S. Ad Spend | +26% vs. 2021

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**2022 Media Mix**

<table>
<thead>
<tr>
<th>Media Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cable</td>
<td>36%</td>
</tr>
<tr>
<td>Display</td>
<td>21%</td>
</tr>
<tr>
<td>Email</td>
<td>20%</td>
</tr>
<tr>
<td>Facebook</td>
<td>19%</td>
</tr>
</tbody>
</table>

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Summary

Key Healthcare & Pharma Trends Including Emerging Sub-Categories
We Expect to Influence Marketing & Media Strategies

More Investment in Tech & Innovation
Uncovers solutions to concerns patients and providers have yet to find answers to

Making Strides Toward Closing the Health Equity Gap
Moves from the government and increased conversation inches us closer, knowing there’s still work to be done

Looking Beyond the Doctor’s Office
From the start of the pandemic to now, how people use telehealth is changing

Recognizing the Scale of the Patient-Care Ecosystem
Rethinking business models and modernizing how the industry communicates at a mass scale for advertising to be customer centric and align with changing expectations

Emerging Sub-Categories & Brands
Alzheimer’s Prescription Drugs, Women’s Health (FemTech)
The Power of Advertising

& MEDIA TRENDS TO WATCH
The Power of Advertising For Pharma Brands

With Linear in the Mix, Less dollars needed to drive bigger gains in trust

Including linear in the media mix greatly amplifies the impact on trust, while pure digital spending required higher levels of investment to achieve the same effect.

Incremental Average Spend Needed to Increase 1pp of Trust
Estimated based on historic monthly spend

<table>
<thead>
<tr>
<th></th>
<th>Spend Needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Only</td>
<td>$15.7M</td>
</tr>
<tr>
<td>With Linear</td>
<td>$4.9M</td>
</tr>
</tbody>
</table>

Sources: MediaRadar, Morning Consult; NBCU proprietary analytics. Analytics were statistically significant >95% using regression models; adjusted r² was 48% for the period analyzed with a standard error of .01.
Pharma Media Trends to Watch

That will drive maximum impact for the industry, with goals of reaching and connecting with the full patient-care ecosystem

The Rise of Shorter Unit Lengths

Brands are mixing up unit lengths, especially when advertising on streaming platforms. 90s on streaming declined 12pp 22 vs 21.

Geting closer with Digital Media

+64% increase in short form 1H’23 vs. 1H’22

+16% increase in social 1H’23 vs. 1H’22

As brands are seeking to show up where people are searching for medical information and looking for answers.

The Fight For Attention continues

<table>
<thead>
<tr>
<th>Linear3 ’22 vs. ’21</th>
<th>Streaming4 ’22 vs. ’21</th>
</tr>
</thead>
<tbody>
<tr>
<td>126 medications (+5%)</td>
<td>41 pharma cos. (+14%)</td>
</tr>
<tr>
<td>1.6B pharma company ad airings (+31%)</td>
<td>127 medications (+30%)</td>
</tr>
</tbody>
</table>

Partnering with NBCU

Industry Performance, Strategic Considerations & Partnership Examples
NBCU Proven Impact For Pharma Advertisers
Across Brand KPIs

BUSINESS OUTCOME

Brand (Upper Funnel)

- Brand Familiarity +43%
- Ad Recall +34%
- Brand Favorability +28%
- Brand Consideration +61%

Performance (Lower Funnel)

- Search Engagement +18%
- Purchase Intent +15%
- Conversion Rate +32%

NBCU PHARMA CAMPAIGNS – Test vs. Control

Source: NBCU Ad Impact Database 2017-2022; 5 Brand Impact; 15 Attribution NBCU measured Pharma campaigns; Custom research, vendors vary. Average of exposed vs. control cells for NBCU. Top 2 box Search Engagement (SER Index): EDU, Volume in five minutes following ads airing on NBCU vs. same brand competitive averages expressed as an index (118).

Conversions inclusive of brand prescriptions, category prescriptions, and visits to doctor office.
Maximize Your Impact
With A Diversified Video Plan

**Why**
People are still using a combination of traditional and streaming platforms to view content (63%). A video plan with both linear and streaming allow for incremental reach, a more strategic approach to targeting, and stronger performance against KPIs such as brand familiarity.!

**How**
Leverage TV, inclusive of linear and streaming, in line with audience consumption behaviors and budgets to ensure optimal reach and increase action with commercial innovations.

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Continue To Grow By
Creating Strong Connections With Multiculturals

**Why**
Specific medical conditions and social determinants of health continue to disproportionately impact multicultural communities. This coupled with a renewed focus on health and an accelerated growth rate for drug companies, make these communities key audiences with whom to build trust and create awareness.

**How**
Lead with Culture, Authentically Represent, and drive awareness, and education to build trust.

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Create Connected Plans
With Data As The Foundation

**Why**
Meeting the needs of the full patient-care network is increasingly important as healthcare becomes more complex. Personalization, message & premium content are table stakes. Fans of NBCU content are more likely to pay attention to brands that align with our content (+10%) vs. fans of non-NBCU content.!

**How**
Leverage a data-led and data-informed approach to ensure high audience quality match, messaging is aligned to objective (and audience need), and context is relevant to the audience and message.
Maximize Your Impact
With a Diversified Video Plan

Cultural Moments
Such as Cultural Heritage & DEI Celebrations, Premium Sports Events, & Awareness Months

TV / IS Linear And Streaming
Linear
Capturing attention achieving broad reach quickly and driving action 2.0 more pharma ads needed competitively to generate the same search impact

Data Driven Linear
Connecting with your key audiences in the content they are in, and optimized against your objectives 32% conversion rate for pharma

Peacock & Peacock AX
Reaching incremental audiences to linear with a tailored message in engaging, brand safe & suitable content with capped ad load.

Ad Innovations
Designed with Healthcare & Pharma in mind, offering opportunities to learn more, showcase branded content, and more. 14% lift vs. pre or mid roll

Continue To Grow By
Creating Strong Connections with Multiculturals

Understand & Connect Via Culture
Reach consumers in-language, connecting via cultural moments & passion pillars

Authentic Representation
Genuine representation, and relevant storytelling via talent as trusted sources

Build Awareness & Education
Purposeful activations via platforms that resonate and build trust with consumers

Create Connected Plans
With Data as the Foundation

Audience Targeting & Automation
Media
• NBCU Streaming
• Local Media
• Data-driven Linear (DDL)
• Apple News

Activation
• Direct IO
• Programmatic
• Private Marketplace
• Via Local Spot On & Adsmart

Data
• NBCUnified
• BYOD
• Apple

Stand Out With Stories By
Creating Relevance Through Culture
Turnkey to Custom

Influencers
Talent who personally identify with a condition or a situation relevant to the brand & audience

Turnkey to Custom
Create Connected Plans
With Data as the Foundation

How Our Partners Are Evolving Their Media Strategy & Storytelling

**Tapping into Sports Fandom**

After opening a location in the UK, the Cleveland Clinic strengthened their partnership with the English Premier League by being the Summer Series Halftime presenting sponsor. Since then, they have become the official healthcare provider by having doctors on site at all EPL Summer Series matches.

**Amplifying Relevant Communities**

Haleon/Voltaren partnered with NBCUniversal on a portfolio-wide initiative for National Caregivers Month. The partnership included high-impact in-show moments and custom vignettes in English and Spanish in order to create more widespread awareness of the caregiving community.

**Driving Audience Interaction**

Moderna capitalized on driving education through local streaming with high-impact trivia and display units that aired on NBC Spot On. NBCU Local developed a streaming and digital strategy targeting key markets which generated the strongest results among their media partners.

**Leaning into Cultural Moments**

Allergen (Allē) expanded its footprint and boosted brand awareness among Bravoholics by utilizing on-site BravoCon activations, OOH taxi placements, and ad innovations on Peacock—all leveraging Bravo IP.
2023

Healthcare & Pharma Industry Assessment

NBCUniversal

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