

STRONG PERFORMERS

The emphasis on providing service and value in healthcare has prompted the industry's largest holding companies to fuse their capabilities as they seek to connect this industry's disparate stakeholders. As told to **Marc Iskowitz**

1 | How was 2014 for health-care agencies in your holding company?

2 | How is the increasing emphasis on customer experience and content affecting (1) the overarching structure of your holding company and (2) the role of health in it?

3 | What's in store for health-care communications over the next 12 months?



Nick Colucci
CEO
Publicis Health-care Communications Group

1 | PHCG had a successful 2014. We exceeded many of our financial goals and accomplished several important business initiatives. We grew our top 15 clients by 23% in 2014 and added more than €100 million (\$113 million) in new business.

2 | The increasing emphasis on customer experience and content means we need to stay focused on delivering creative ideas and work that effectively communicates across nearly unlimited channels. We have organized our agencies so that we connect when in the best interest of our clients yet maintain different personalities, cultures and capabilities within each of our offices around the world. Consumers don't consume healthcare in just one way and our structure as a company will continue to be flexible enough to accommodate those unique behavior patterns.

3 | As the FDA responds to high-court decisions questioning government actions that inhibit free responsible communications, we may begin to see more reasonable and realistic rules on drug advertising and promotion. The FDA has taken notice that our audiences are uber-consumers of health-related content, so it is only right that regulations facilitate, not get in the way of, this demand for more and more information. The continued dilution of marketing spend across channels and disciplines, general cost-cutting and the increased weight of procurement mean we need to continue to do more great work with less.



Donna Murphy
Global CEO
Havas Health

1 | Havas Health agencies grew last year due to several factors. First, a number of years ago, we diversified our core competencies into related health and wellness categories like consumer marketing, CPG, pharmacy, devices, technology and animal health. This has continued to assist in our growth globally. Second, organic growth continued to be strong with high client satisfaction and retention. Finally, we continue to lead in the digital space with new technologies and services.

2 | Over the past 12 months, we completely redesigned very large pieces of our strategic and creative approach to account for this. As healthcare shifts from a traditional-sales-model approach to more of a customer-experience one, we're looking to recast our service offer in three ways: by expanding our traditional planning departments to include customer-experience offer from UX to content to analytics; building customer-service design as an integral part of our agencies; and developing more proprietary methods to help clients understand their current customer experience, design their future state and formulate a plan to get there.

3 | There's a greater focus on patient-centered care—allowing patients to be active stakeholders in their healthcare experiences and not just expected to “follow doctors' orders.” To answer this need, there will be even greater use of digital, social and mobile communications. As well, three big themes that we find ourselves navigating are an increasing regulatory environment that makes it difficult to activate claims; a growing need for accessing strategy and data; and a growing need for helping commercialize innovative offers and partnerships



Helene Yan
VP of Business Strategy
Interpublic Group

1 | Our largest global networks, McCann Health and FCB Health, both posted strong performance in 2014 that exceeded expectations. This high level of performance extended across other IPG agencies as well—Weber Shandwick, Virgo Health and Hill Holliday all saw their healthcare practices expand in 2014. It was also a year to build on our strengths, as we invested behind digital, global expansion and key specialty areas such as pharmacy and global public health.

2 | These changes mean our client solutions must be highly connected, with multichannel global reach. In response, at the holding company level we're partnering more closely with our agencies on behalf of a number of pharmaceutical clients to deliver “open architecture” solutions where we create integrated, tailor-made teams from across the IPG portfolio to meet clients' business needs. At the same time, concentrating our resources and structure in ways to have the most market impact is crucial to our ongoing success: We consolidated the ICC Lowe network into FCB Health to drive greater interconnectivity and deepen capabilities.

3 | From an operational perspective, greater regulatory and financial pressures are leading to increased consolidation and centralization of global business and budgets. Concurrently, we see tremendous interest in new ways to approach traditional pharmaceutical communications—from increasing engagement in social media, to investment in emerging technologies like wearables. Clients and agencies alike are also casting a very wide learning net—whether that's exploring best practices in other industries or applying principles of behavioral economics to create more effective marketing communications.



Ceci Zak
COO of Healthcare DAS
Omnicom Group

1 | Clients faced external forces such as increased rebates under Obamacare, launch delays (or terminations) by the FDA and increased payer pressure. These forces can prompt a shift of resources away from marketing partners. Because our healthcare agencies think innovatively about new business opportunities, it has spurred tremendous collaboration within our entire network, which in turn has provided opportunities for our boutique communication agencies with disruptive capabilities to become part of the offering. In addition, clients are looking for transformational thinking to influence key stakeholders, and the digital DNA our healthcare agencies have acquired is paying off.

2 | Pharma still thinks about brands, not customers. Multichannel to most means using multiple channels and shifting from the rep to non-personal promotion. The potential of personalized communications hasn't been realized because industry doesn't fully understand the UX and how best to customize content/delivery. But a focus more on the customer, driven by consumerism, is allowing for a broader discussion around insights and content. Our healthcare network's analytics, cultural insight and social business platforms create and magnify compelling content experiences, so that the right audiences regularly engage with our clients in the right media and at the right time.

3 | (1) Strategically and operationally, biopharma M&A will continue, impacting comms partnerships, as will agency consolidation, clients' desire for greater depth in emerging markets and for ecosystem efficiencies. (2) In terms of capabilities, innovators will continue to amass large data sets. Enterprise-level insights can help clients seize new marketing tools, while understanding health outcomes and economics can help craft content to communicate to all stakeholders. (3) Disruptive innovation (telemedicine, “beyond the pill offerings,” etc.) will bring about new ways of communicating, and those that aren't afraid to conduct pilots for clients will reshape the next phase of healthcare communications and drive growth.



John Zweig
Chairman, Healthcare and Specialist Communications
WPP

1 | Our healthcare business is vibrant and played a significant role in WPP's record year. Consolidation—among clients, agencies and client/agency relationships—benefitted us because of both our size and depth of resources, and also by virtue of “horizontality,” a strategic pillar at WPP evidenced by 40-some integrated client teams, many of them in healthcare. Of course there was volatility and cost pressure, but the change created opportunity for us: to deliver more of our capabilities, expand our client base and demonstrate improved effectiveness and efficiency in healthcare marketing that is long overdue.

2 | Given these recurring themes, we structure ourselves and invest accordingly. New acquisitions and investments include next-generation digital content studios with award-winning filmmakers (e.g., Indigenous Media), which join other investments like youth-focused content (VICE) and Media Rights Capital (*House of Cards* series for Netflix). Our healthcare agencies access these and other resources. However, value-creating information and service (in other words, content and customer engagement) have always been critical in healthcare, where credibility, meaning and relationships are keys to positive outcomes. Communication can be therapy ... and sometimes even the cure!

3 | Let's just say that the change will escalate and the effects intensify. Differentiation becomes a challenge—every agency now claims to be content- and customer-engagement experts, whether they are or not. However, as our experience in mobilizing and fusing the whole universe of WPP's capabilities grows, so does our understanding. We have more evidence of our ability to have a powerful and dynamic effect on an industry that needs to be transformed—in order to rebuild trust, serve and empower customers and motivate and connect all the constituents with one another.