



Healthcare Advertising in the Era of Convergent TV

How Healthcare Marketers Can Win With Cross-Screen Video Advertising



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Introduction

The competition for patients and healthcare consumers has never been more intense.

Healthcare systems have grown larger and more aggressive through consolidation. Consumer choice is increasing as new types of healthcare providers enter the market, including major retailers like Walmart and new concierge providers like VC-backed One Medical.

Consumers' screens are being flooded with ads for remedies for every condition, new direct-to-consumer healthcare products, new methods of paying for healthcare, and new ways of getting care, from telehealth to minute-clinics.

Finding new ways to get your message seen is more important than ever

COVID-19 has raised the stakes. Patients are nervous about returning to healthcare facilities. Elective procedure revenues have been decimated. Moreover, in 2021, healthcare organizations have the added responsibility of using their ads to educate the US population about vaccination programs.

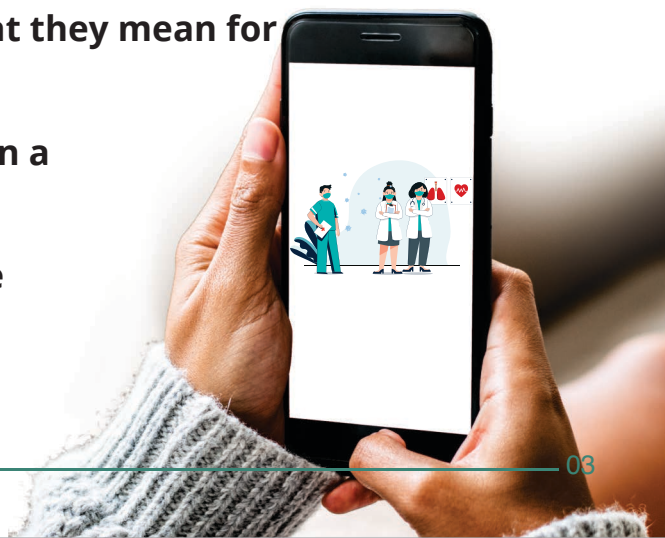
“Everybody knows that sight, sound, and motion is a much better way to create a brand impression, to tell a story, to get people to even convert to a sale.”

Tracey Scheppach
CEO, Matter More Media

The expanding Convergent TV landscape presents a critical opportunity for healthcare marketers to address these challenges. You must change beliefs before you can change behaviors, and video advertising is the most effective medium to do so, combining a blend of rational and emotional messaging. There are more available channels than ever to place video ads, including linear TV, mobile/desktop, and Connected TV (CTV). Planning media holistically across all screens allows advertisers to drive the best possible returns, even with tight budgets.

In this white paper, you will learn about:

- 1. The three trends in convergent TV and what they mean for healthcare marketers and their agencies**
- 2. A unique approach to advanced targeting in a HIPAA-compliant way**
- 3. Three strategies marketers can use to take advantage of these trends**



Three Trends You Need To Know About Convergent TV



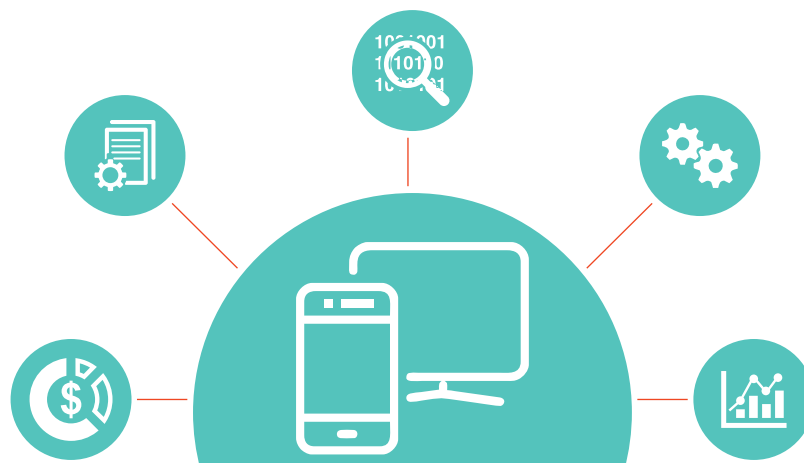
Trend #1: The Convergent TV Landscape Is Rapidly Expanding



Figure 1 - The US Convergent TV landscape continues to grow more complex

The expanding Convergent TV landscape incorporates traditional linear TV networks in broadcast and cable, as well as digital channels, including mobile, desktop, and Connected TV (CTV). Within digital, social media channels like Facebook, TikTok, and Instagram play a central role in expanding the reach of video content beyond the TV screen.

Consumers watch more and more video content across different devices, including smart phones and PCs, as well as increasingly feature-rich TV. Major players are also expanding their offerings across these different options to keep up with the cross-screen consumer, as traditional networks create new streaming options (e.g., NBC Universal's Peacock service) or acquire new distribution channels (e.g., Fox's acquisition of Tubi).



The investments in these options are paying off with spikes in both subscribers and viewing hours. Consumer adoption has exceeded expectations, and the competition among traditional media companies and recent entrants is accelerating.

As the choice of channels, formats, and new ways to deliver digital video continue to expand, and the major media companies continue to invest in digital video, consumers will continue to shift from traditional TV to digital video.



In fact, by 2024, digital video ad spend is projected to surpass linear TV for the first time.

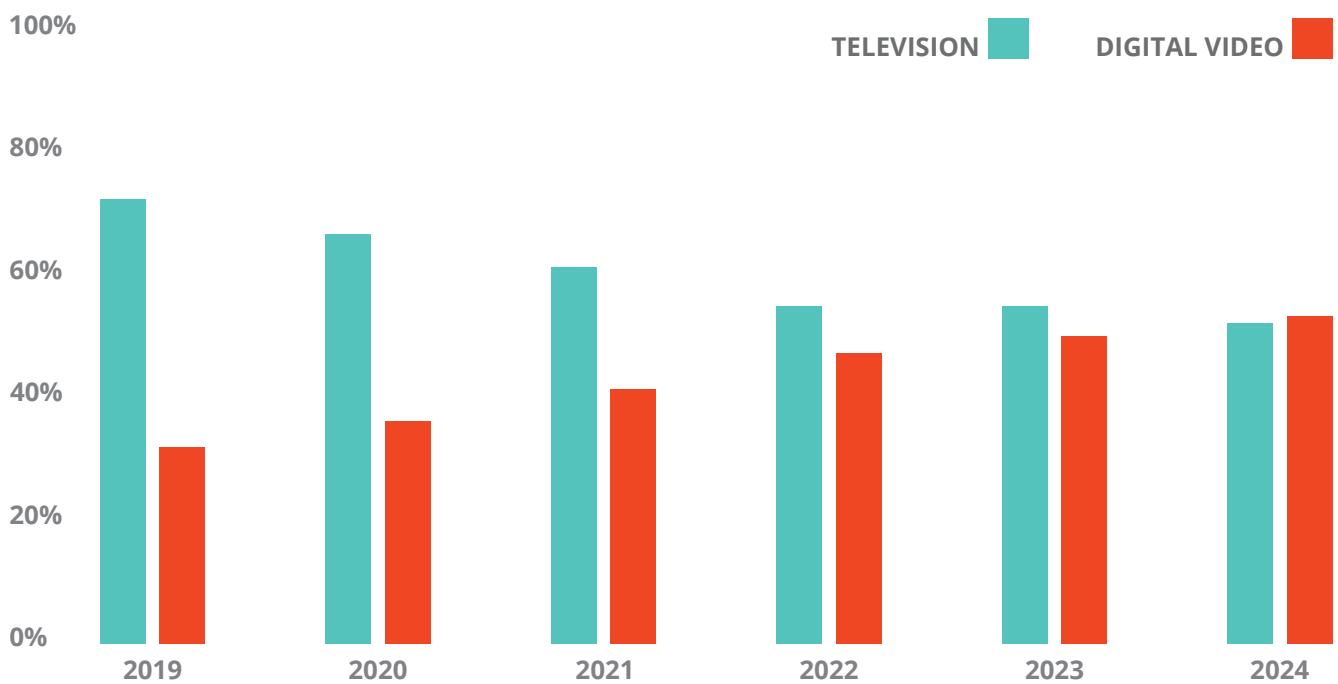


Figure 2 - Shift from TV to Digital Video. Source: eMarketer

The plethora of choices for consumers means expanded advertising inventory options for marketers, and this growth will only continue as Ad-supported Video On Demand (AVOD) services capture a larger percentage of viewer hours. With more inventory options and increased viewership, the US video advertising market is predicted to see strong growth in the coming years.

Trend #2: Targeted Video Advertising is Growing Across All Screens



This shift from linear to digital channels, termed “Cord Cutting,” is well documented. An equally important trend now exists, one that many marketers are unaware of. While ad spend in linear TV is only declining by 1% each year, we are seeing a much steeper decline in “untargeted” video ad spend – i.e., placing ads only based on age and gender audience categories. In Figure 3, the scale of this trend is evident: a dramatic *18% annual decline* in non-targeted video ads and a corresponding *24% annual growth* in targeted video ads. And while the perception is that precisely targeted ads are confined to the realm of digital, the rise of addressable TV advertising is combining the accuracy of reaching the most relevant audiences with the high levels of viewability on the traditional TV screen.

For example, if a healthcare system is trying to drive awareness of its orthopedic service line, it might traditionally buy local cable inventory to reach Males, Aged 60+. The problem with stopping at this step, though, is that a significant portion of the ad budget will be spent on an audience that is irrelevant for using that service, an unaffordable waste especially with tight budgets.

However, it is now possible to layer in consumer behavior (e.g., shops for sporting goods), consumption habits (e.g., watches NBA games, primarily on his Smart TV), health profile (e.g., has utilized the provider's service before), and hyperlocality (lives within a provider's geographic footprint). This method enables the advertiser to target a highly relevant patients. Doing so reduces waste significantly and enables the advertiser to allocate marketing dollars more precisely and reach the appropriate audience.

“Advertisers and agencies should think about the convergence of these channels as more long-form video advertising becomes addressable. The unification of planning development, optimization and measurement capabilities will become increasingly critical to driving results.”

Iván Markman
Chief Business Officer, Verizon Media

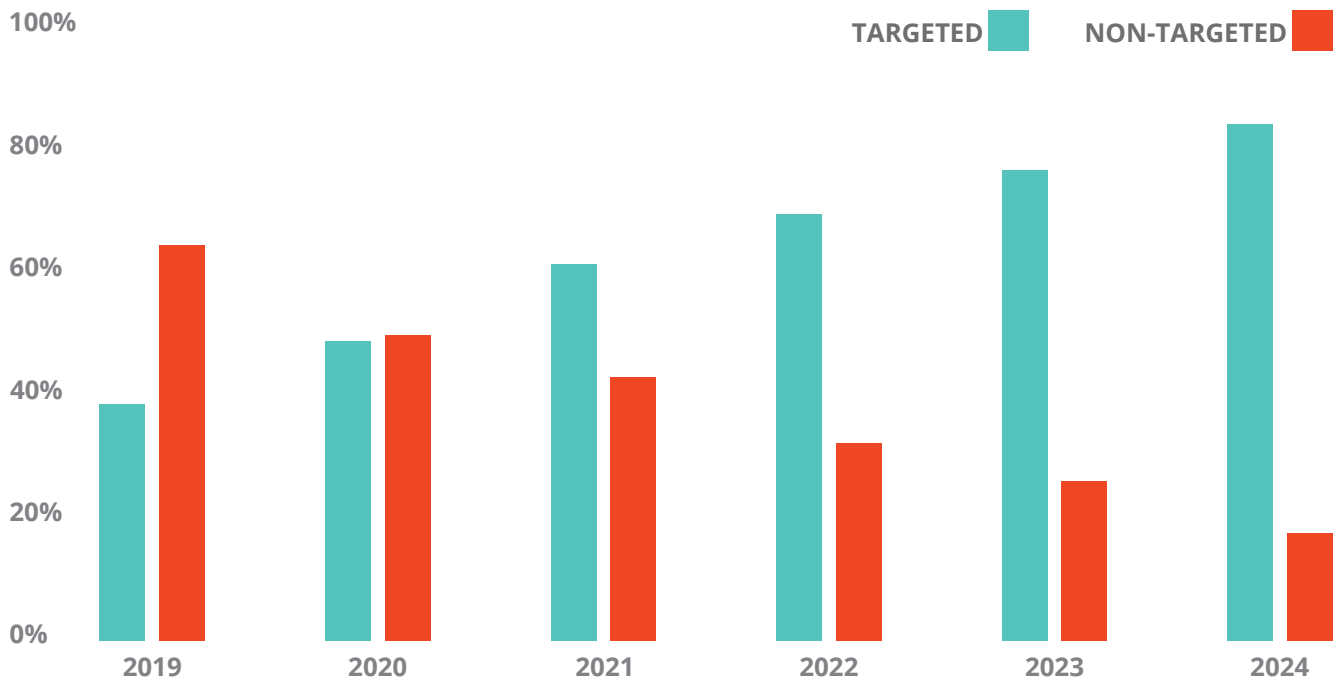


Figure 3 - The Shift Towards Targeted Advertising. Source: Cross Screen Media

The increasing availability of rich data about media consumption by device and content type provides marketers with greater insights into how their audience watches TV and digital video, and, therefore, how to reach them most efficiently without wasting money on oversaturation.



“I think the way that a lot of advertisers and agencies are looking at advertising now is rather than filling in with addressable where they can, it's trying to put together a plan that can take advantage of the use of data to be much more effective in targeting their audiences across a multitude of platforms.”

Dave Hohman
EVP, MD of Demand Side Media, Nielsen

Trend #3: Marketers Are Gaining a Competitive Edge by Adopting New Techniques and Technologies

The Convergent TV landscape is highly fragmented. Linear TV uses different metrics than digital channels for pricing inventory. Pricing varies widely across markets and channels. New players are continuing to enter the space. And audience consumption habits are constantly changing!

“You’re going to see a rapid acceleration towards cross media measurement that is truly comparable across platforms to facilitate optimization of reach, frequency, and yield management.”

Dave Hohman
EVP, MD of Demand Side Media, Nielsen

Leading marketers are approaching this variance not as a roadblock to optimal media planning, but as an opportunity to expand reach to the right audience, in the relevant markets, at the best rates. Given the extensive data sets and rapid calculations needed to make sense of this ever-expanding landscape, marketers are investing in technology that does the heavy lifting for them, so they can spend time on strategy instead of number crunching.

Marketing teams often specialize in one or a few forms of video advertising, but don't have the expertise to effectively plan and buy across the multitude of options across linear and digital. Consequently, there is a growing focus on technology investments that address how to allocate spend across all channels to create a single unified media plan. Each video type has its own set of measurements around pricing and viewability, so one of the most critical components of this process is the ability to compare the quality of all ad inventory options using a common metric that works across all screens.

Marketers are evaluating new additions to their tech stack, including tools like Cross Screen Media's ScreenSolve® platform that empower marketers to plan and buy TV and video ads holistically at the best price point based on *effective* views, not the lowest base rate.

Reach The Right Audience In A HIPAA-Compliant Way

Like all marketers, healthcare organizations need to reach the right audience with the right message. How can marketers reach the most relevant audiences in an ethical and HIPAA - compliant way, so that the patient's privacy and Protected Health Information (PHI) is not compromised? We have a solution.

Cross Screen Media takes patient privacy and PHI very seriously. We have built our ScreenSolve® platform with a compliance-first design, and have partnered with a third party identity provider that creates anonymous and data-rich profiles of individuals. This empowers advertisers to benefit from the relevant attributes for marketing to a custom audience, without the need or capture of any PHI that would make the profile identifiable as a specific individual.

This approach provides healthcare marketers with three benefits:



HIPAA-compliance – By combining a healthcare organization's first-party data about its patients with anonymized third-party individual and household data, marketers can address audiences that would benefit most from specific service lines in a way that makes their PHI and any other confidential data “invisible.”



Enriched Data – The databases include hundreds of additional behavioral and demographic attributes, including purchasing behavior (e.g., shop heavily online), preferences (e.g., virtual rather than physical interactions), and interests (e.g., travel) that allow healthcare marketers to pinpoint audiences best aligned with their service.



Behavioral Measurement – Last but not least, this approach allows accurate measurement of whether or not an individual actually viewed an ad.

The net result is a way for healthcare marketers to reach their most relevant audiences without compromising privacy.

Three Strategies For Healthcare Marketers

For healthcare marketers and their agencies, the explosion of Convergent TV is a double-edged sword. It creates new opportunities to reach audiences in more engaging and precise ways, but it also can create major challenges.

Overcoming the inefficiencies and barriers to success in Convergent TV requires a deliberate strategy. On the following pages we present three strategies to consider.



1. Take a Holistic Approach to Media Planning

The winning marketers will be those that remove any silos and create a unified media planning team. With all the inventory options and consumption data available in a single view, advertisers can understand where each campaign will reach the highest percentage of their target audience, at the optimal frequency, with the least waste. A unified team also avoids the issue of pre-allocation; that is, deciding the ad budget for each channel *before* the planning starts. Instead, the goals of each campaign should be agreed upon ahead of time, and the plan should be built with those metrics as the guidelines, not simply a pre-determined split between linear and digital inventory. With a deliberate, accurate, unified plan, highly relevant patients won't fall through the cracks.



“Unification here is more beneficial in our opinion. As the channels blur and converge, with linear inventory available via addressable and programmatic, there will be a greater desire to bring digital and linear-buying together to boost alignment, data capabilities, flexibility and transparency. These channels are going to be bought and managed jointly and the buying teams will reflect that.”

Iván Markman
Chief Business Officer, Verizon Media

One of the additional advantages of planning holistically is that media planning can be continually optimized, feeding the learnings from a previous campaign into the next one, creating a virtuous cycle. This always-on improvement only works with a team that shares data and learnings, and technology that provides a clear picture of every media buy.

2. Evaluate Media With a Common Currency

Unified media planning requires apples-to-apples comparisons between all inventory sources across both digital and linear TV. Imagine you are trying to compare the speed of three cars; the first shows only MPH, the second only KPH, and the third only displays RPM. All three measures are related to speed, but without a way to translate one into the other, a direct comparison is impossible. Video advertising is the same way. Linear TV is traditionally evaluated using Gross Rating Points (GRPs), while digital media uses CPMs. Further, media vendors use different viewability definitions (e.g., the ad must appear onscreen for at least 2 seconds), making it extremely challenging to accurately compare the value of inventory. Because of these complexities, advertisers should use a common currency to compare across all inventory sources:

- **Start with the base rate**
- **Factor in how many of the ads are actually viewable**
- **Layer in the percentage of the target audience that will be reached**

At Cross Screen Media, we refer to this metric as eCPM (effective CPM), which enables our customers to ensure the highest ROI for each campaign.

In the example in Figure 4, although the base rate for the ad buy is \$20 CPM, only half of those impressions are actually viewable for enough time to have any impact on the viewer. And only half of the impressions are viewed by the advertiser's target audience. So, for the true measure of the campaign's effectiveness, and for comparison to other options, the \$80 effective CPM should be used.

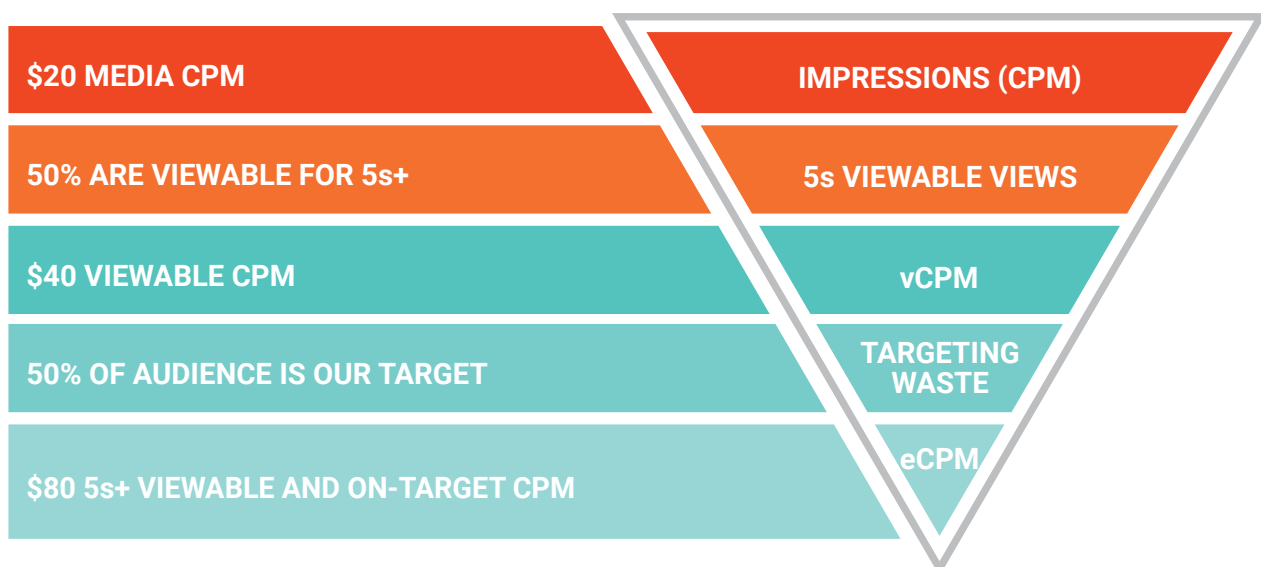


Figure 4 - Advertisers should use eCPM to accurately compare the effectiveness of different ad buys across screens

3. Get Hyperlocal

With few exceptions, providers have a limited geographic footprint for possible patients. However, ad campaigns have not traditionally matched up, leading to significant waste, with campaigns reaching audiences too far away to be likely patients. The good news is that by combining geographic data with consumption data, marketers can now build media plans based on their true audience, not through pre-defined media markets.

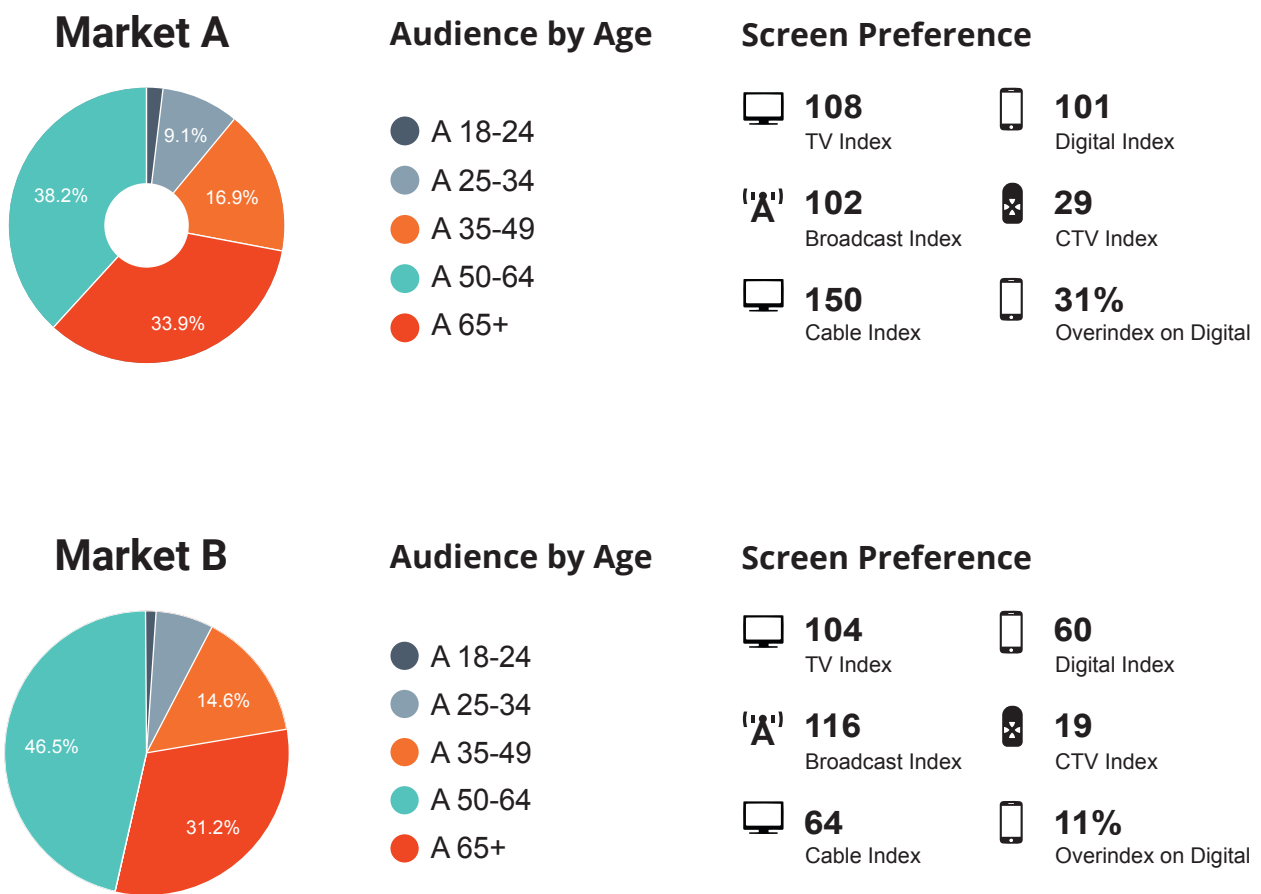


Figure 5 - Audience Consumption Habits Vary Market To Market

In the example in Figure 5, we look at the same consumer segment in the same state. However, we can see that a one-size-fits-all media plan would incur significant waste, as Market A's audience will have much higher engagement with ads served over Cable TV and digital video, while a plan heavy on those channels would miss a large percentage of the same audience in Market B.

Additionally, as we can see in the example in Figure 6, each provider has a unique geographic footprint that their prospective patients would be willing to travel, and any ad spend reaching audiences outside that radius is wasted. When marketers avoid this ad waste, the saved budget can then be re-allocated to heavy-up messaging with their most relevant audiences, especially in highly competitive areas.

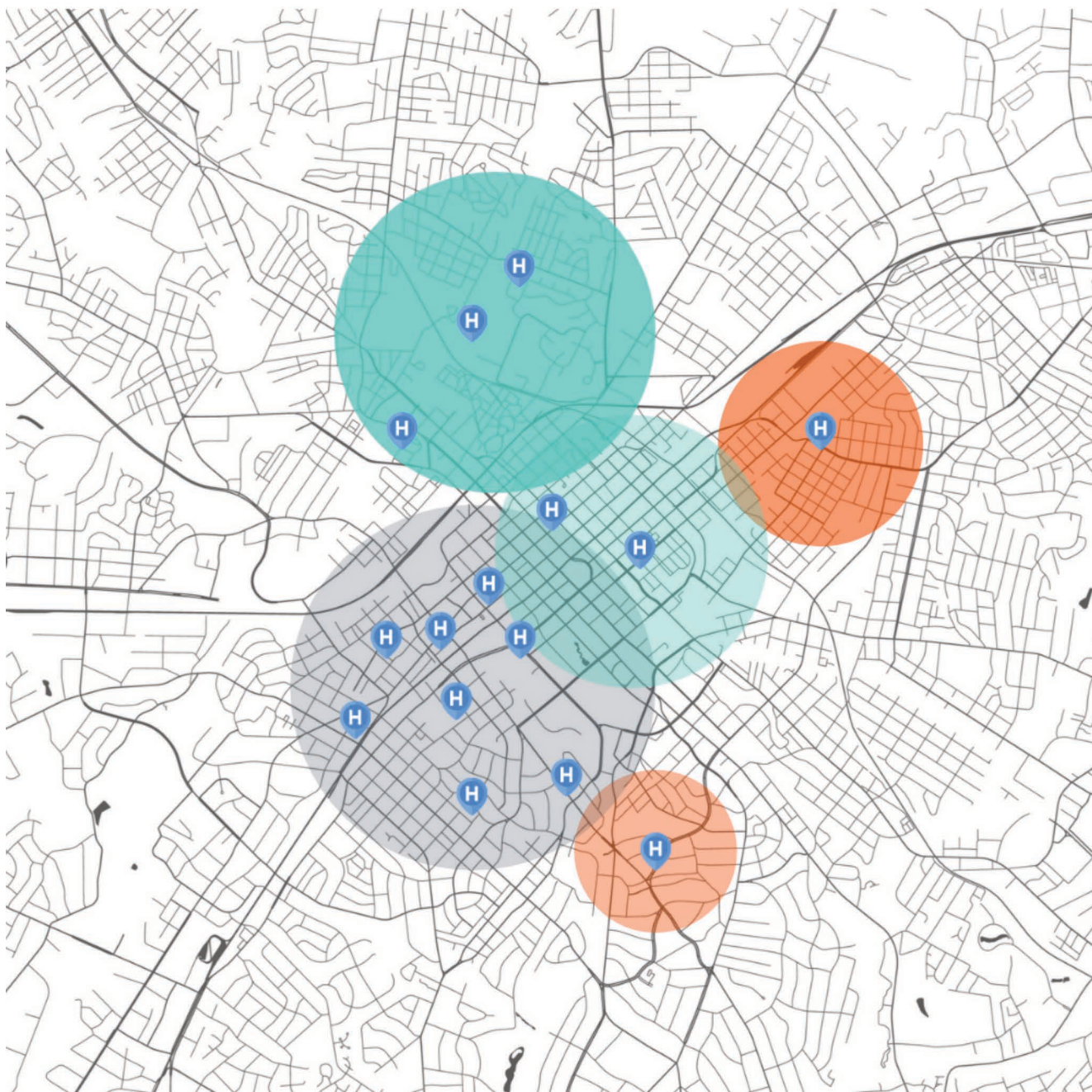


Figure 6 - Hyperlocal advertising matches ad spend to each provider's geographic footprint

Learn More

Cross Screen Media is a marketing analytics and software company helping brands, agencies, and networks succeed in the Convergent TV space. Our platform creates a common currency across linear TV, digital, and CTV views so ad buyers can build a single optimized plan, and seller can prove the value of their inventory.

Want to learn more about how Cross Screen Media can help you acquire patients and win in the Convergent TV space?

GET IN TOUCH WITH US AT [CROSSSCREENMEDIA.COM](https://crossscreenmedia.com)

