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To: Division of Dockets Management (HFA-305)
Food and Drug Administration
5630 Fishers Lane / Room 1061
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From: LiveWorld, Inc.

Subject: LiveWorld Comments on Docket No. FDA-2009-N-0441 (Federal Register)
Promotion of Food and Drug Administration-Regulated Medical Products Using the Internet and Social Media Tools

- LiveWorld Comments: Pages 1-4
- Appendix: 2008 White Paper “Healthcare Social Networks” By LiveWorld & Grey Healthcare Group

LiveWorld Comments to FDA
Regarding Internet and Social Media for promoting FDA-regulated products.

LiveWorld Background: LiveWorld (www.liveworld.com, ticker: lvwd.pk) is a leading global social network marketing agency that develops, operates and moderates private label social network sites (brand central sites, Facebook pages, etc.) for Fortune 500 brands and their marketing agencies. We currently have dozens of such clients and have implemented hundreds of multi-year social media programs. Our management team is among the most experienced in the field of social media, with over 26 years creating and managing social media solutions for global brands. (14 at LiveWorld and 12 before that at Apple Computer). We have been dealing with social networks and healthcare subjects for the entire 26 years and have multiple pharmaceutical companies as clients.

Moderation of user content related to healthcare subjects in social networks is central to the current discussion and the primary focus of our recommendations. Approximately 50% of LiveWorld’s business is the moderation of social network and user content sites, including those built on our platforms, sites built by other agencies and on other networks such as Facebook. In the last 14 years we have delivered over 1 Million hours of moderation, typically delivering 10,000-20,000/month. Our services are deployed in 70 country-language combinations. With this long experience we have considerable insight into the dynamics of social networking, the consumer experience, the desire and need for discourse on healthcare.

Healthcare and Social Networks

Please see in the attached, Appendix our 2008 white paper on Healthcare Social Networks that we co-authored with Grey Healthcare Group. This white paper goes into additional depth, surveys and statistics.

Healthcare has been a major and intense usage pattern in social networks for the entire 26 years of our experience—from the early days of the services we created at Apple, to AOL, to the modern Internet. This phenomenon is due to consumer need for emotional support related to illness and treatment, whether a simple cold or a terminal illness. With the rise of social networks as the dominant media form in our society, their use related to healthcare has risen and will continue to rise. Ultimately these venues will be the primary means by which consumers engage with each other on healthcare topics, and as such, the primary venue by which they will receive, absorb and pass on their healthcare experiences, content and opinions. Social networks are especially helpful in bringing patients or their supportive friends and family together across geographies and social strata—to hear about their experiences coping with an illness, treating an illness and adjusting their lifestyles accordingly. This behavior applies to the patient and also those close to them. People want to find others like themselves—“people like me.” In this case that means “people who are sick like me,” or “people who are supporting a loved one who is sick like my loved one.” There usually are a great many others like them, whether the illness affects many or a lesser number of people. But these others may be located across the country. Or they may be down the block, but not publicly disclosing their circumstances. The large and changing nature of information in the healthcare space is another driver. People seek information and will rely more on others like them, trusting other people more than any other source. As noted in our white paper, a vast number of people now first seek information on the Internet, then bring that framework to a medical professional to focus their actions. The healthcare provider segment can also benefit from social networking, sharing information and building relationships that make them more effective in serving patients. These venues can also help healthcare professionals further their own professional development (expertise and career advancement), improving their effectiveness and productivity and overall job satisfaction.

Opportunity: In this context there is a significant opportunity to serve the consumer public and health care professionals by enabling the pharmaceutical industry to get involved, creating and participating in online communities to foster more dialogue, access to information, connections, relationships and emotional support. Online community venues will also better connect pharmaceutical companies to consumers and healthcare professionals, resulting in greater customer engagement and feedback. This in turn will make the pharmaceutical companies more market aware and customer centric, increasing their effectiveness in serving those markets. Pharmaceutical companies can bring great resources to online community venues: First is a deep commitment to their customers and the venues. Second is their information and knowledge (and by this we don’t just mean the raw content, but, as important, sensitivity and depth in the subject matter). Third, and most important, is their people. As in all markets the people at the companies have a deep commitment, knowledge base and ability to interact with others on the subject. The role of dialogue and personal touch in helping consumers in their health care journeys cannot be overstated.

Challenge: The challenge we’ve seen in this context is the understandable concern that any misinformation about pharmaceutical products could cause serious medical consequences for consumers. This of course has led to many of the regulations in the pharmaceutical industry. In social networks where most of the content and dialogue is coming from consumers, the natural industry response is to attempt to control consumer dialogue or avoid the venues completely for fear of legal liability. However, we believe this is the wrong response. The vast array of social networks means that consumers are going to talk about whatever they want and can easily do so in many venues. Consumers will find each other and dialogue about healthcare in one form of social network or another, regardless of FDA regulations, actions or inactions by the pharmaceutical industry. If a venue is overly controlled, the consumers will simply go elsewhere. If a company holds back from participating for fear of legal liability, then the public loses the benefits that the company can bring to them. Time and again, we have seen our pharmaceutical clients move toward social networking, only to cancel a project or try to overly control it out of fear for legal liability.

LiveWorld Recommendations

With these dynamics, opportunities and challenges in mind and based on our 26 years of experience, LiveWorld has put together the following recommendations for the FDA. These recommendations seek a balance between pro-actively managing the venues, rather than futile attempts to control them. We seek a balance that constructively enables the pharmaceutical companies to responsibly participate, providing a mix of best practice guidelines and regulations that realistically recognize the true dynamics of social networks and consumer behavior in them.

Recommendation 1: Federal Communications Decency Act of 1996 (CDA) Safe Harbor

The FDA should confirm that the CDA (Federal Communications Decency Act of 1996) applies to pharmaceutical companies just as it does to all other web site operators in any industry. Including that web site operators have a safe harbor under which they are not liable for user content posted on their sites nor any consequences thereof. Noting the CDA law includes specific process to follow and requirements regarding follow-ups on notifications of trade market/copyright infringements. Also noting that this is a federal law and takes precedence over any conflicting state and local laws or regulations.

Recommendation 2: Moderation Best Practices Guidelines

The FDA should required that pharmaceutical companies provide moderation of the social network sites they operate, but rather than regulate specifics, provide best practice guidelines. The moderation can be provided by the company itself or by 3rd party vendors that the company has approved. The specifics of the moderation (including types of moderation, pre-screening or post-screening, volume of moderation and time coverage, and how all of that applies to different types of content) are to be determined in the reasonable judgment of the company. We specifically do not recommend that companies be required to pre-screen all user content before displaying it on their sites. Consumers in most markets are now accustomed to their content appearing on a site immediately and being post-screened. If companies are regulated to a pre-screen only environment, the resulting lag time (many minutes, even hours) for content to appear will cause their online communities to have weak dynamics, and consumers will head to other venues such as Yahoo or Facebook. There are pharmaceutical companies today that provide disease state online communities with a post-screen model. A pre-screen-only regulation would actually force these companies to take a step backward.

There may be circumstances where pre-screening user content for all or parts of an online community site, or at different stages of the site will be appropriate. But this will vary by site, content type and over time. For example a typical practice today in family oriented sites in the US is to post-screen text content from users, but pre-screen photo and video content. Other sites post-screen all content. Depending on content type and volume, some sites moderate 24 hours/day; others, 6 hours/day—checking the site every 4 hours. Any number of variations can be appropriate for any particular site, and even these will change over time as an online community evolves. We believe the judgment about when to pre-screen vs. post screen should be situation specific and as such left to the pharmaceutical company involved.

Provision of moderation should not affect the safe harbor aspects of the CDA. That is, even with moderation, the web site operator is not liable for user content posted to its site or consequence thereof (as prescribed by the CDA).

Recommendation 3: Adverse Events Escalation in a pharmaceutical operated online community or social network site.

Studies such as the one by Nielson Online suggest that very little user content in these sites meets the four elements required for reporting an adverse event. This is also our experience in healthcare online

communities. Additionally we've found that existing adverse events channels tend to already cover the items that are raised in online communities. Other online communities have reported higher, but still relatively small incidence of user content meeting the four criteria. The important nature of adverse events and the above described range of experience is why we recommend the FDA require pharmaceutical companies establish formal adverse event escalation processes for the social network and online community sites they operate.

Due to the medical impact nature of pharmaceutical products, the FDA should require pharmaceutical companies to establish and manage reasonable adverse event escalation process for the sites they operate, including social network/online community sites. This would include the following processes (or equivalent):

- a)** Posting of types of potential side effects, in a manner similar to FDA requirements for black box labeling in other media. This information must be provided on a web page in a clear, understandable manner. A prominent link to that web page should be present on each page of the web site (unless the list itself is displayed on the particular page.)
- b)** A venue for end users to report adverse events, such as a self-reporting form. A prominent link to that web page should be present on each page of the web site.
- c)** Adverse events escalation process that maps into the company's standard adverse events escalation process. The reporting process from the social network site can be managed by the company and/or a 3rd party vendor (such as a moderation vendor) that has been approved by the company.

The FDA also should clearly state that due to the dynamic and subject nature of user content, even with a formal adverse events escalation process, the company cannot be expected to and will not be held legally liable for 100% coverage and accuracy in that process.

Appendix: 2008 White Paper on Healthcare Social Networks

Healthcare Social Networks A New Paradigm for Marketers

Prepared By:

Summit Group, a division of Grey Healthcare Group
and LiveWorld, Inc.

Healthcare Social Networks – A New Paradigm for Marketers

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Healthcare Social Networks – A New Paradigm for Marketers

I. A POWERFUL NEW MARKETING REALITY

The “small world phenomenon”—the idea that everyone in the world can be reached through a short chain of social acquaintances—was first advanced four decades ago by psychologist Stanley Milgram. Through the play “Six Degrees of Separation,” and subsequent incarnations of the “small world” concept, the view of our growing interconnectedness has become part of contemporary popular culture.

Today, the digital revolution has transformed this once-obscure concept into a powerful reality. Through consumer-generated content, people who might not otherwise associate can forge meaningful, virtual connections around their common knowledge, interests, and goals. For those engaged in commerce, these communities, called online social networks, are shifting the marketing paradigm from brand-as-product to brand as a dynamic, living organism that exists in the voices of the consumers.

In healthcare, where well-being and emotion are inextricably linked and markets are conversations, this shift holds great promise. As consumer-generated content continues to evolve, forward-thinking leaders are seizing upon this change—leveraging social networks to nurture lasting relationships, achieve brand dominance, and advance the public health.

II. GENERATION C AND THE EVOLUTION OF SOCIAL NETWORKS

A. Definition of Social Networks

In the offline world, social networks are small structures of people that play a role in determining the way problems are solved, organizations are run, and the degree to which individuals succeed in achieving their goals. Here the maximum size of social networks is around 150 people. ⁽¹⁾

Yet social networks have vastly larger connotations online, where sizeable webs of relationships grow from computer-mediated discussions. ⁽²⁾ Aided by the Internet, today, these webs rapidly develop and expand from conversations among people who share a common affinity but who may differ in many other ways and may never have connected in the traditional model. These online communities have capacity far beyond what was traditionally imagined when J.A. Barnes coined the term “social network” in 1954. ⁽³⁾

B. Evolution of Social Networks

Online social networks have evolved significantly due to advancements in technology and the rise of a new generation of connected consumers, called “Generation C.” The ubiquity of the Internet helped make the use of social networks a reality. Their growth was further aided by the rapid proliferation of easy-to-use self-publishing technologies and grew from there—fueled by young mobile-phone users and text messengers, blogs, review sites, and the like. Contrary to popular perception, social networks are not the domain of idle teens; nearly half of all MySpace visitors are 35 and older. ⁽⁴⁾ By the end of this decade, Gen-C will be the most attractive market for practically all goods, services, and brands. ⁽⁵⁾ By then, Gen-C will include everyone up to the age of 40.

While social networks of the late 1990s emerged primarily as a way to stay in touch with existing friends and meet new people, commercial applications quickly became evident. This gave rise to dating services as well as purpose-driven sites such as Evite, a popular invitation site. The ability for readers to comment on books made Amazon.com one of the first interactive communities focused on a shared interest.

By the early 2000s, the builders of online networks began to tap the power of networks that allowed users to participate in self-identified communities. Friendster, Tribe, and similar services simply enabled members to organize their recreational and business activities. But after initial enthusiasm, many users seemed to conclude that having thousand of “friends” and being able to read millions of personal profiles was, ultimately, not that compelling an experience.

The evolution of social networks continued as sites began to enable users to share knowledge and enhance their experiences within business, culture, gaming, healthcare, and other fields. This is an approach popularized by MySpace, the sixth most visited Web site in any language, which provides access to a network of friends, photos, videos, music, and blogs. ⁽⁶⁾

The MySpace community has been a powerful influence in the discovery of new music talent, a phenomenon that preceded the rise of a new music distribution channel (iTunes and others) and helped fuel a multibillion dollar industry in downloaded songs. YouTube has done with video what MySpace began with just text and photos. In business, LinkedIn, originally used for professional networking, now drives executive recruiting with more than 9 million registered users as of January 2007, according to Wikipedia.

As *Cluetrain Manifesto* authors Doc Searls and David Weinberger have argued, the Internet has restored the original conversation dynamic of the marketplace, where individuals exchange information in their authentic voices. As online social networking reaches a new phase, the business case for harnessing those consumer voices is becoming apparent.

C. User-Driven, Branded Communities

Today, as social networking technology and consumer engagement evolves, companies are creating branded communities that are increasingly at the center of the marketing mix. Content is rich with context and driven by users.

MINI Cooper’s community of car owners illustrates the power of a social network in advancing a brand. MINI’s community gives participants access to post topics, communicate privately with other MINI enthusiasts, respond to polls, and upload photos.

It boasts a 70 percent participation rate among owners with 15,000 to 20,000 unique visits a year. MINI's thinking about its brand has evolved based on the journey users have taken the company. Its executives now say: "The MINI brand is not the car. It is the entire experience, a lifestyle manifested in the owner's network." In fact, MINI owners utilize the community to organize real-world car rallies all over the United States every weekend, illustrating the power of online communities to generate offline community behavior.

Campbell's Soup has also used a branded community to enhance its brand. Started as a recipe exchange, Campbell's Kitchen has evolved into a full social network—a dialogue with thousands of members on parenting, nutrition, and wellness in which Campbell's is the trusted facilitator and its products are the beneficiary. Users provided feedback on planned changes to the company's most popular soup, averting a New Coke-like crisis. An entire library of member recipes was catalogued for marketing with new soups, and activity on the site correlates closely to the rise and fall of soup sales.

III. HEALTHCARE SOCIAL NETWORKS

A. Facts

About 10 years ago, a series of online message boards was created for NBC and Warner Brothers to generate excitement about the premiere of a live episode of the popular television series, *ER*. Broadcast executives were struck by the sheer volume of people wanting to talk online. What they never expected was that people would be talking not about the television series or even George Clooney, its biggest star, but about *their own* medical problems.

Health care has always been a popular subject for online users, giving them access to information on complex and often emotionally charged issues, as well as an instant pipeline to experts with answers or patients who share their same concerns.

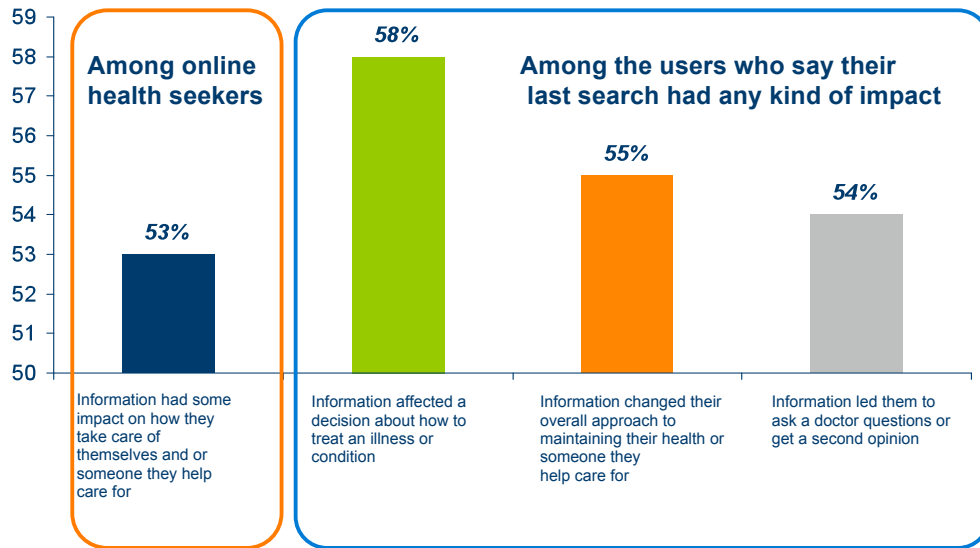
Today, a remarkable 95 percent of those looking for health information use search engines.⁽⁷⁾ And the Internet is the second most important tool for finding health information, trailing only MDs.⁽⁸⁾

Every day, eight million American adults look online for health information—the same number that, on a typical day, pays bills online, reads blogs, or uses the Internet to look up a phone number or address.⁽⁹⁾

Most Internet users start at a search engine when looking for health information online. Few health seekers report bad outcomes, and many report positive effects of their online health queries. At the same time, according to Susannah Fox, Associate Director of the Pew Internet Project, "Consumers are turning to search for health information, ignoring the source, and then going online to find peers for further reassurance. This represents a huge fundamental shift in healthcare and should encourage more healthcare companies to join the conversation."

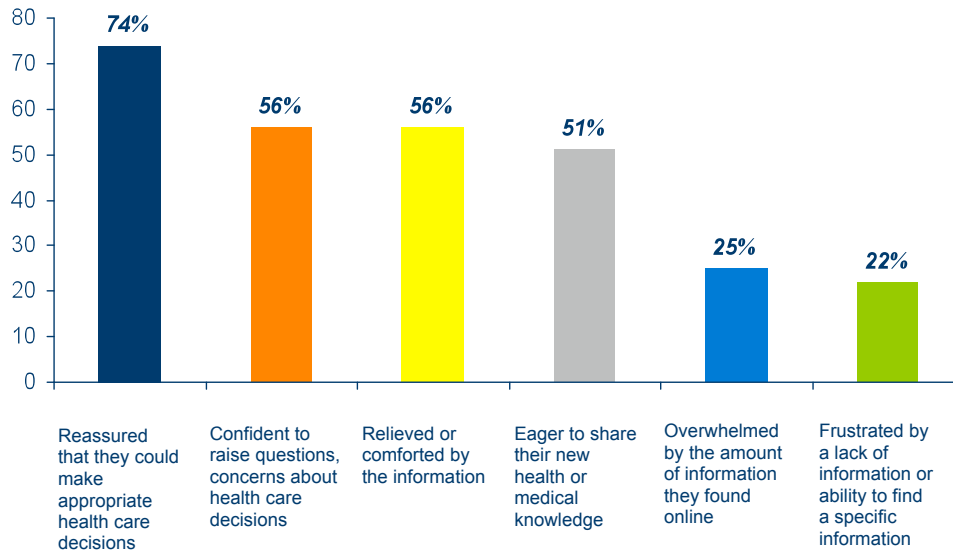
The facts speak for themselves. Finding healthcare information online, as well as an outlet for exchange, is giving consumers and caregivers knowledge and confidence, and in large measure, having an impact on their own healthcare routine or the way they care for someone else. These facts are why more and more healthcare companies are now monitoring the Web on a regular basis.

Online Seekers of Healthcare Information What They Do



Source: PEW Internet & American Life Project, Online Health Search, October

Online Seekers of Healthcare Information How They Feel



Source: PEW Internet & American Life Project, Online Health Search, October

B. Implications

From Wisdom of the Specialist to Knowledge of the Many

According to Visible Technologies, a provider of online consumer market intelligence, 1.5 million new consumer comments are written on the Web every 24 hours. The human need for sharing what we know and think is the psychological heartbeat of the social network phenomenon.

The implication of this sharing phenomenon on healthcare communication can be seen on YouTube, which features nearly 25,000 medically related videos as of January 2007. With astounding speed, social networking technology is moving knowledge from the specialist to anyone who has access to a computer, accelerating physician education and enhancing patient understanding in a way never imagined. Information exchange is no longer confined to the environs of a MedEd conference or pre-op visit; knowledge is no longer just about knowing, but about experiencing.

Access to information is also becoming a welcome relief for small communities of people concerned about rare diseases. A Yahoo support group of parents whose children suffer from glaucoma or cataracts has hundreds of active members who, several years ago, may have been able to find only one or two parents with concerns like theirs.

In online communities, sharing can go far beyond exchanging information—especially in matters of health, where the individual's interest in the welfare of the larger community emerges.

CaringBridge shows how communities of health information and support can reach millions. CaringBridge offers free, easy-to-create Web sites to connect families and friends during a health crisis. The experience is unique for both authors and visitors in its immediacy, intimacy, and wide-reaching impact. A support role that in the past fell solely to the physician and immediate family has spread to hundreds of patients and friends with common experiences and shared empathy. As of January 3, 2007, CaringBridge has hosted more than 51,000 CaringBridge sites, with nearly 332 million visits and eight million guestbook messages of hope and encouragement.

As public knowledge about health, treatment, and disease continues to grow, companies will benefit from stronger relationships with the patients and others they empower to share information.

The Customer as Medium and Marketer

In online social networks, the medium is the customer. Through technology, a company reaches out to millions of customers as both the sources and recipients of ideas about its products and services. Through millions of channels, tens of thousands of customers drive the brand message, evolve the brand, and tell the brand story as part of their story. This has wide-ranging implications for marketing.

This continuous web of social networking can raise the value of the brands as more people want to participate with them and talk about what they mean.

Further, active consumers bring others to the table. In many cases a company stimulates the initial dialogue by establishing the network and integrating it with their Web site and other marketing venues. Ultimately, the majority of growth comes via word of mouth from

members of the community itself—effectively reducing marketing acquisition costs of incremental community members to zero.

Through data mined from its work with Apple, Liveworld, a WPP-company that builds, operates, and moderates social networks and online communities, sheds light on the effect that social networks can also have on the cost of customer support. Phone call inquiries by customers in the traditional marketing model cost \$10 to \$50; e-mails cost only \$5. In the social network model, responding to customer requests using community tools costs just \$2; and having members answer each others' questions is free.

Alpha Users and Opinion Leaders

In online communities, leaders emerge as a natural consequence of information sharing, influencing the opinion of others and serving as evangelists for products and ideas.

Malcolm Gladwell's *The Tipping Point* elaborates on this “funneling” concept, where the “six-degrees” phenomenon is accelerated by a few extraordinary people. ⁽¹⁰⁾

This phenomenon can be seen in eBay's “alpha users” or power sellers who share their expertise in addition to their wares and in Weight Watchers disciples who embolden others through the company's online support network to lose weight and keep it off.

Marketing observers of WebMD might marvel at the way the sponsor created opportunities for ordinary patients to have an equal voice to the experts. On the Autism Blog, a parent named “blessedmomma” frequently appears to share information about her own child's diagnosis and experience. Participants have access to volumes of expert-created content, but it's the consumer-generated content that gives them the feeling their voice matters. Leaders like “blessedmomma”—by the force of their personality, knowledge and frequent participation—keep hundreds of other people online.

24/7 Feedback and Innovation

In the age of 24/7 feedback, the capacity exists not only for consumers to share information instantly but for *companies* to have *instant access* to information and analysis *about* these consumer interactions.

Imagine, only a decade ago, a healthcare marketer who had the ability to schedule a focus group—assembling thousands of patients from different geographies, with instantaneous access to product and treatment insights, without bias.

With social network technology, pharmaceutical companies can get a faster and better read on the language and experiences of their patients—from lifestyle concerns to satisfaction with treatment, from unmet needs to ongoing fears and frustrations.

Breakthrough innovations on any number of fronts can be made outside the marketing lab, gleaned from everyday conversations with online users. A prime example might be the idea recently uncovered in a healthcare chat room from a mother struggling with keeping her asthmatic child on meds. “I use stickers,” she said, leading marketers to imagine “Sponge Bob inhalers” and other character-based devices to increase compliance and drive sales.

Marketing: From Push to Pull

Because of shared knowledge and instant feedback, the push paradigm of communication is no longer entirely effective. In the age of distributed knowledge and

instant feedback, experts increasingly agree marketing communications must move from push-only, one-way communications to strategies of consent and two-way dialogue.

“With all the prevalent converging trends, traditional marketing strategy and communications is delivering diminishing returns. We need to engage communities and allow our target audiences to interact with us. Businesses need to co-create their branding, advertising and marketing communications with their audiences to work in this new century.” ⁽¹¹⁾

Within this construct, it is clear that traditional push strategies of healthcare marketers—from brochureware on Web sites to two-person dialogues between reps and doctors to direct mail—are no longer sufficient. Brands now have a whole new way of connecting with key audiences.

A New Way of Doing Business

| Transactional | Transformational |
|--|--|
| <ul style="list-style-type: none">● Product-focused | <ul style="list-style-type: none">● Experience-oriented |
| <ul style="list-style-type: none">● Biased point of view | <ul style="list-style-type: none">● Insight based understanding |
| <ul style="list-style-type: none">● Confined to the office visit | <ul style="list-style-type: none">● Broader support system driven by patient need |
| <ul style="list-style-type: none">● Traditional (proven) marketing mix | <ul style="list-style-type: none">● Tried and true plus novel approaches |
| <ul style="list-style-type: none">● Know what to expect<ul style="list-style-type: none">– Comfort and control | <ul style="list-style-type: none">● Some unknowns<ul style="list-style-type: none">– Risk taking |

Engagement Marketing—Brand Beyond Product

Those companies who are engaging consumers as de facto brand managers are reaping significant reward.

Unilever’s social network, developed for Dove, engaged women in 22 countries in a dialogue about the definition of real beauty. The community reached 200,000 women in their 25 to 50 demographic. Television advertising echoed the same sentiment. But online, content richness was the driving element, and no product information was included.

Through community building, not product selling, Dove demonstrated the impact that unconventional marketing can have on a conventional brand. For Dove’s customers, the Dove brand was not soap, but authentic beauty. It was this correlation and the good feelings it elicited that drove sales up over 50 percent. Taking the high road accrued measurable benefits to Unilever that more traditional thinking often fails to generate.

Community ROI—Magnified and Measurable

Analysis of social networks shows they can have a sizeable impact on a company's return on investment (ROI). LiveWorld has measured four key benefits:

- **Acquisition cost**—Chrysler wanted likely car buyers to experience a model with extra cup holders, an important convenience feature. Traditional methods of bringing prospects to a dealer showroom cost about \$400 per user just to learn about the car, not even to buy it. A live product demonstration, posted online with message boards, blogs, and chats, reached three times as many users in more markets—all for about \$10 per user.
- **Loyalty and engagement**—The passion and loyalty of online users can be manifested in significantly higher sales. One study revealed that people visit online communities nine times more often than traditional Web sites, and that these visits last five times longer.⁽¹²⁾ A second study found engagement is closely correlated with spending. In this study, 35 percent of people active in a branded community account for 65 percent of sales.⁽¹³⁾
- **Brand awareness**—The rich context on social network engenders frequent participation and higher brand recall—up to four times the level of unaided brand recall associated with search engines.
- **Support**—Alpha users and other experts who emerge as leaders on community networks can have a positive impact on the user experience of others. “Online Member to Member Customer Support Communities” are five to ten times more cost-effective than phone support.⁽¹⁴⁾ For example, eBay’s “power users” help newcomers resolve questions, speeding responsiveness, and minimizing the need for a costly central infrastructure for routine questions and support. LiveWorld notes the eBay model has resulted in millions of dollars in savings a year to the company and sped response time to 30 minutes from 1 to 2 days.

C. Ethical, Legal, and Business Considerations

Risk

Tight regulation and the complexities of the pharmaceutical business have long warranted an approach to healthcare marketing that was more controlled than unconfined. Even with the dawn of distributed consumer content, many marketers remain reluctant to open wide the door of unfettered dialogue due to the specter of off-label promotions and reporting of adverse events. Fortunately, technology and prudent strategy make mitigating these concerns relatively straightforward.

Partnership, Standards, and Moderation

To foster a dialogue that reaches credibly beyond product to advance the public health, companies are pursuing mutually beneficial partnering opportunities with professional organizations. For example, in an effort to educate physicians on treatment options for various diseases, companies are sponsoring educational Web sites with a variety of patient and continuing medical education (CME) tools. More fully functional “partner-sponsored” networks under consideration, such as a community for patients with high cholesterol sponsored by The American Heart Association, could provide even more meaningful opportunities for multiparty real-time dialogue.

While sponsoring a social network through an affinity group may provide safer harbor from risk, it may not allow for the full benefits company or brand-sponsored communities can render. In this case, user registration may offer the simplest and most manageable solution to concerns about standards and control.

Most communities make some form of registration a prerequisite of participation. Having users register with a simple and secure name and password (without necessitating sharing information that would be deemed private) gives community sponsors a chance to set the culture and standards of that community, as well as create and enforce a user agreement that upholds those standards.

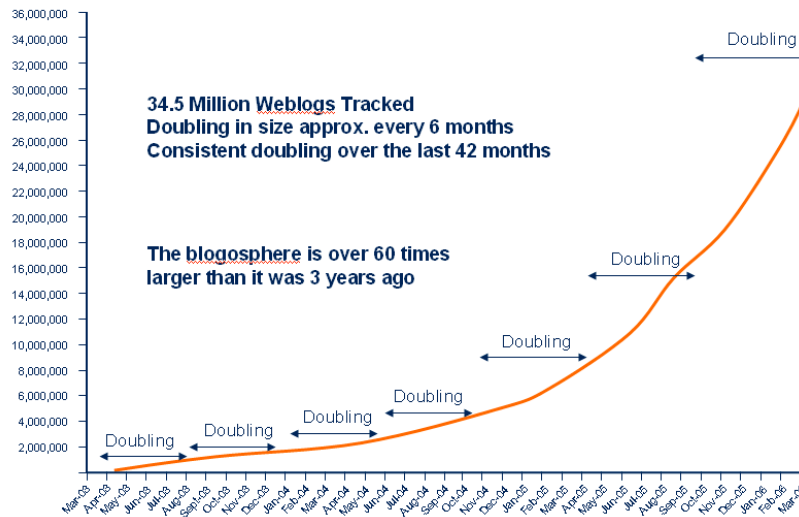
Technology enables sites to be continuously moderated and swept every 24 hours to enforce standards, remove inappropriate content, or respond to issues. Given the regulatory requirements, and the interests of the host, these protocols would be an essential part of any healthcare community. Toward this end, the most important principle for patient users to understand is that a site can spur or enhance, but never replace, a conversation with their doctor.

Reputation Management

Consumers are talking. Consumer-generated content is the fastest-growing segment of the Web. And, with blogs, message boards, discussion forums, and social networks, the conversation scale continues to grow at exponential rates.

Weblogs Cumulative

March 2003 – April 2006



Because of this same technology, stewards of corporate reputation and brand are beginning to view these conversations as a gold mine. After all, connected consumers and employees are talking about a company anyway. The technology exists to identify online influencers, monitor their opinions, and track potentially harmful issues. The real risk emerging is the risk of not mining these data, understanding their impact, and engaging influencers in the dialogue as active partners.

The era of engagement marketing is inevitable. Accepting different and even critical opinions is necessary to build trust and create positive bonds with the community. Moreover, the only way to prevent communities from harming your brand is to engage them. Digitally savvy consumers are quick to disappear from sponsored sites and reorganize on rogue ones if they feel the supporting brands are not being trustworthy. (15) Companies that don't participate could face a difficult future in connecting with or retaining customers, growing their businesses, and remaining industry leaders.

IV. SOCIAL NETWORKS AND THE CHANGING HEALTHCARE CONSUMER EXPERIENCE

More and more, pharmaceutical companies are recognizing the power of social networking to enhance the customer experience and advance the public health across various disease targets.

A. Increasing Early Diagnosis

While many health information seekers are early adopters, mainstream consumers are also actively looking for health information online. Exchange taking place on healthcare Web sites such as WebMD serves a critical role in stimulating patient conversations among patients, and between patients and their doctors. In this way, social networks promise to have an important long-term impact on early diagnoses.

B. Providing Better Treatment Options

The process of creating, hosting, and maintaining an online community can help healthcare companies identify critical insights about barriers to treatment. Driving, moderating, measuring, and augmenting conversations around patients and disease can have an important influence on the perceptions of products and treatment options. Today, shaping how people interpret and consume information about their health—and augmenting treatment innovation because of it—is infinitely more achievable, meaningful, and measurable.

C. Improving Compliance and Adherence

Lack of compliance is one of the most significant issues in healthcare today, especially in chronic diseases such as COPD, cardiovascular, and diabetes. One of the most central benefits of healthcare social networks is the promise they hold for advancing compliance in these and other categories, as well as improving overall public health.

Healthcare communities provide a reservoir of resources, guidance, and personal connections that can help turn adherence into a continuous process not divorced from normal life. Through blogs, message boards, and other social networking tools, members can help others set goals and visualize success. An analysis of community activity on managing high cholesterol uncovered men who were competing to see who, through various lifestyle changes, could achieve the lowest number. The winner paid for the loser's fishing trip. Groups assemble around competition on matters of health, becoming a new form of safe sport, such as fantasy football. With active consumer engagement, sponsors can analyze issues surrounding noncompliance and create dialogues that can bolster the emotional triggers of adherence.

D. Offering Lifestyle and Therapeutic Interventions

Social networks provide an ongoing context for knowledge exchange that can be far more effective than static information. By participating, patients become part of a virtual lifestyle intervention team made up of other consumers like them, concerned physicians and other experts, and sponsors. Online user dialogues build greater understanding and affirmation about therapeutic interventions and lifestyle changes. By creating a safe place for a critical mass of people in similar situations to solve problems together, sponsors position themselves as caring partners actively engaged in consumer well-being. In this way, online communities can have a measurable impact not only on improving patient care, but building the public trust.

V. SOCIAL NETWORKS AND PHYSICIAN PARTNERSHIPS

A. Improving Dialogue With Patients

One of the chief benefits that sponsored social networks can have is improving the relationship between doctors and their patients. In the new model of 24/7 participant engagement, sponsor companies can use consumer data to help physicians become better communicators, more adept at responding to patient questions, and motivating patients to lead healthier lives.

By their very nature, online communities can facilitate a richer, lengthier, more meaningful, more timely, and more in-depth dialogue between patient and physician. Industry-sponsored communities of the future will give physicians instant access to patient insights on a whole new level. Being the sponsor or mediator of these

discussions allows companies to forge enduring partnerships with doctors based on a new standard of trust.

B. Enhancing Collaboration and Training

Initiated and uninitiated observers alike are clearly astounded by the YouTube phenomenon at work in the digital world. In fact, there are already 3,500 live surgeries shown on that site. One current client has been asked to imagine the extraordinary potential of a branded YouTube site for surgeons, a community space that fosters collaboration, sharing, and learning through featured videos, interactive Webcasts, ratings, and reviews. As with consumer communities, sites such as this would be monitored and moderated, and users must agree that the site in no way replaces hands-on training.

Empowering doctors to be better, more informed practitioners can have measurable brand-building and loyalty benefits. Particularly for manufacturers of medical devices, the prospects are enormous. A bariatric surgeon in New York comments on the value of this same widespread access, saying, “This is really interesting. There are five of us from residency, and we’re always emailing videos to the group and commenting on each other’s work as well as sharing tips and techniques. It would be really great to have a central place to post our videos and have these conversations.”

In September 2006, the American Society for Surgery of the Hand created a social networking site—billed as a “MySpace for Hand Surgeons” —for its annual meeting. More than building an online listing space for exhibitors, the full-service tool allowed the 1,900 attendees to communicate and interact with the 113 exhibitor companies and their 807 staff members as well as each other, before, during, and after the show.

An additional bonus of these MySpace-type communities for sponsoring companies is the ability they have to identify thought leaders—the eBay power sellers of the medical community—whose quiet voices exist outside the pages of *JAMA* and who might otherwise be unheard.

Company-sponsored communities are potential game changers for physician collaboration and ongoing learning. In concert with traditional MedEd approaches, these new tools can take the industry/physician partnership to a whole new level.

VI. BENEFITS OF SOCIAL NETWORKING TO THE ORGANIZATION

A. Employee Engagement

As argued in his well-known paper, “Putting the Service-Profit Chain to Work,” James Heskett and his colleagues of Harvard Business School showed business leaders what has always been a given among experts of organizational dynamics: engaged employees create loyal customers and customer loyalty drives growth.⁽¹⁶⁾

According to a recent survey by a major human capital consulting firm, employee disengagement is becoming a global epidemic. At a time when companies are focused on growth and relying on their workforces to achieve it, “one in seven employees worldwide is fully engaged with their job and willing to go the extra mile for their companies.”⁽¹⁷⁾ This lack of engagement can be particularly pronounced in sales organizations, where talent is often geographically dispersed and interaction infrequent.

Pharmaceutical companies need only look to the message boards on Café Pharma to see how employee perceptions on issues such as benefits and promotions can have a profound effect on feelings of satisfaction.

By sponsoring their own social networks, companies can help improve employee engagement by creating a trusted place where employees go to be heard and where honest dialogue is part of the culture.

The LiveWorld team created and operated Apple Computer's AppleLink, the Apple industry's social network, which included 14,000 Apple employees within its 50,000 member rank.

Through AppleLink, employees became personally and professionally vested in being part of the Apple community. Apple found active, networked employees were less inclined to leave the company, as doing so meant departing from that social network. In a startling twist, in some cases, when a departing employee found out they'd be losing their membership in the internal social network, they offered to pay for membership. Most important, this personal investiture in the network meant that employees logged on to the community evenings and weekends, bringing them back to the company environment and increasing their productivity and commitment to their work.

In contrast to traditional "trash cans," where bad feelings seem to multiply, properly planned and moderated employee social networks can enhance employee engagement, serving as an early warning system for disruptive issues and a source of buy-in for corporate change.

B. Identifying and Propelling High Potentials

Social networks can play an important role in the process of identifying and advancing high-potential employees.

"A global pharmaceutical company identified high potential managers in different regions as an advisory group for top management. Their periodic face-to-face meetings were interesting and enjoyable but they felt that somehow the group should be able to have a bigger impact. When the group was convened as part of an online social network, they were struck by the potential value of being connected continuously rather than just for a few hours every month."⁽¹⁸⁾

The fact that online community networks are always on allows for the quiet reflection that never takes place in quarterly meetings. Given time, participants who may not drive the discussion or agenda at a formal meeting can still share their particular expertise to keep a valuable idea moving forward. There is also some evidence that social networks allow global employees for whom English is a second language the latitude to express themselves in a way that can meaningfully benefit the organization at large.

C. Collective Knowledge and Innovation

Social networks connect people and build relationships across boundaries of time and geography.

Online communities help break down organizational silos. Through social networking technology, employees can locate pockets of information and expertise they previously needed a few organizational charts and a good treasure map to find. Having access to a deeper level of knowledge and new perspectives can enhance each individual's ability to succeed. More important, this sharing of knowledge serves as an organizational

accelerator, moving a company and its people from knowledge sharing to collective knowing.

Having a living community of institutional knowledge can be a boon to innovation. When groups get turned on by what they can do online, they go beyond problem solving and start inventing together.

More informed employees can also serve as better “advocates” for the organization outside the confines of their everyday job. This function is particularly valuable in industries such as the pharmaceutical industry that have recently suffered from loss of public trust.

Social networks allow employees not only to engage with one another and with their managers, but also with customers. In the AppleLink model, employees were able to connect with distributors, suppliers, third-party developers, and customers. This brought them closer to all the audiences that influenced Apple’s success. The knowledge, understanding, and empathy they gained for these groups and their specific needs gave the company more power. Experts affirm this benefit: “Allowing employees, the true repository of the company’s value, to join these conversations enhances the company’s credibility and increases its presence in the marketplace.”⁽¹⁹⁾ In this way, the Service Profit Chain becomes a valuable, self-reinforcing mechanism.

VII. SEIZING COMPETITIVE ADVANTAGE

The evolution of technology, particularly consumer-generated content, has unalterably shifted the marketing paradigm, from impressions to customer evangelism, from brand as a static concept to brand as a living organism.

Perhaps more than any other industry, social networks have potential to shape the business landscape for healthcare companies, where health and emotion are inextricably linked and markets are conversations. For these companies, their brand now lives, not just on television, in print ads, or in consumer experiences, but in the very voices of the customers, employees, and physicians who influence their success.

The victors will see and seize upon this shift in advance of their competitors, becoming not just participants, but custodians of this online dialogue. Those who fail to act will be left only to react. But those who lead will reap the benefits of growing employee engagement, improved collaboration, nimble product development and innovation, stronger brand loyalty, and deeper public trust.

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