TikTok: Buy, Hold, or Dump?





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Once a platform used primarily by teenagers, TikTok now has more than 800+ million monthly active users, including healthcare professionals, care partners, and consumers of all ages posting about health.

As of June 25, TikTok offers users and businesses the ability to run ads through their self-service advertising platform, providing an opportunity to run in-feed native video ads, Brand Takeovers, and Hashtag Challenges. However, as a relatively new platform, TikTok recently experienced heavy scrutiny regarding privacy concerns, and questions surrounding future regulations remain. In this article, we've highlighted some initial opportunities and watch-outs for pharma brands who may be considering whether to buy, hold, or dump TikTok.

The "Bull's View"

Increasing number of adult audiences seeking health-specific content.

The COVID-19 pandemic sparked a 24.3% month-over-month rise of unique US adult visitors as more people stayed indoors in "lean back" mode, absorbing more content over longer periods of time. But many adults on the platform are now engaging in healthcare discussions beyond coronavirus (ie, cardiology, sex-education, mental health, dermatology, or general medicine) often sparked by doctors and nurses who've gone viral on the platform.

HCPs are flocking to TikTok enthusiastically and their influence can be leveraged.

Whether they're fast facts in candid clips or dancing out credible medical information in the hospital hallways, doctors (known as TikDocs)—licensed MDs, nurses, physician assistants, and other specialties—are eagerly engaging on TikTok. These doctors are putting a twist on "health tech" by using social media to educate, remove stigma associated with specific health issues, and answer concerns around seeking treatment.

Healthcare brands could leverage TikDocs across a variety of therapeutic areas to raise awareness, educate viewers through entertainment, and spark new dialogue between consumers and HCPs. That being said, we recommend brands work closely with their agency partners to align their social strategy to their overarching brand objectives before identifying any microinfluencers, like TikDocs, to engage. At Evoke, we have a thorough approach for any influencer engagement to ensure the right tone, content, engagement, and impact for the brand.

Immediate potential for unbranded campaigns.

While some OTC brands, like <u>Mucinex</u>, have sought experiential ad opportunities, as the most recent social platform to enter the scene and with its new ad, TikTok and its new ad offerings have not yet been a heavily used channel for branded pharma campaigns. Since TikTok has not yet provided guidance for fair balance or Important Safety Information (ISI), sponsored unbranded content is currently the safest execution for pharma brands. Immersion solutions (Hashtag Challenge,

65.3% TikTok visitors in March 2020 were 18-34 years old and U.S. adult users ages 25-34 have doubled each year.

-Data Source: Comscore



[TikTok is a space where doctors belong] to serve as accurate sources of medical information or otherwise risk having untrained individuals distribute information that could be wrong or interpreted out of context."

-Austin Chiang, M.D., M.P.H., gastroenterologist and president of the Association for Healthcare Social Media (AHSM)

POINT OF VIEW

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partnering with influential TikDocs, in-feed videos, and Brand Takeovers) are inherently unique to TikTok and appeal to a younger subset, so once again, we recommend that brands work closely with their agency partners to ensure that any content developed is targeted toward building deeper connections with the right audience segment.



The "Bear's View"

No known precedent for legal/PARC teams for branded content.

TikTok is a new frontier for pharma and regulatory requirements might be one of the biggest hurdles to overcome, a key factor in which is making sure ads are compliant. Within TikTok's new ad platform, videos should be between 5 and 60 seconds long in a vertical format and brands will need to decide when, what, and how branded content would incorporate scrolling ISI. Brands could approach this like Facebook and Instagram by increasing the scroll rate of an ISI by 2x, which has become an industry standard. On Instagram, brands can also include full ISI and other drug-related information at the top of their profile, so brands may look to incorporate a 1-2 tap solution for users.

We recommend that pharma marketing teams discuss these hurdles with their agency partners and collaborate on discussions with Reg Ops, before jumping into the platform. Since it can be difficult to find previous examples through general searches, an agency partner like Evoke can also reach out to TikTok to inquire if there is specific guidance for branded pharma ads.

Censorship and data collection scrutiny.

Within the last year, TikTok has come under scrutiny for their censorship and data privacy practices after leaked internal documents showed that moderators were asked to suppress posts from users who did not fit an ideal mold, specifically, those deemed unattractive, disabled, poor, or LGBTQ+. While TikTok recently released a transparency report to address accusations, there are still questions in the social media industry surrounding how they are using each individual's data to maximize their prospects. The topic of censorship has ramped up in conversations and publications as a whole, and many pharma companies may not yet feel 100% comfortable about diving into TikTok. We recommend brands work with their agency partners to assess their needs and all available options when considering the platform.

Other established platforms may meet your brand needs.

Due to its popularity amid recent political controversy, other social media platforms have quickly jumped in to fill the potential void. Each social media platform has a different use case; however, recent and growing trends show that there are crossovers as social media platforms continue to roll out new features in an ever-competitive market.

While TikTok may or may not be the right platform for pharma at this time, there are bound to be more established social media platforms or even newer social media platforms that can more transparently address censorship and data privacy. Pharma brands should work with their agency partners to assess their needs, determine whether TikTok is a viable platform to fill those needs or to look at other social media platforms that might achieve similar goals.

Buy, Hold, or Dump?

As one of the youngest popular social media platforms, TikTok is still building out processes for highly regulated industries like pharma. And as the issue of TikTok's data privacy continues to be a hot topic globally, their future regarding brand safety is uncertain. Regardless of the decision to buy, hold, or dump—remember that success in social media marketing is not dependent on any one technical platform; the key to success is to apply an integrated, crosschannel approach to empower the brand's audience.

Evoke's Social Media COE helps healthcare clients assess the right social strategy and mix of platforms, with the right content, influencer engagement, and messaging. For more information, please email us at <u>business@evokegroup.com</u>.

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