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CPAP Today Q4 FY12 Campaign

Results

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Campaign Parameters

- Key Partner
  - Gotham Direct, media placement agency
- Goal
  - Increase device and mask sales while increasing consumer awareness of ResMed brand
- Objectives
  - Generate consumer leads by driving existing and lapsed patients to the ResMed landing page to request an informational brochure (printed and pdf)
  - Measure awareness pre and post campaign
  - Establish media performance benchmarks for future initiatives
  - Gain key learnings about target audience for future initiatives
- Audience
  - Adults 40+ that are:
    - Existing CPAP users
    - Lapsed CPAP users
    - Symptomatic, including:
      - Excessive snorers
      - Diabetics / Obese
      - Excessive daytime sleepiness
- Timing - April 17-June 30
- Budget - $250k (gross including buy, fee, awareness study)

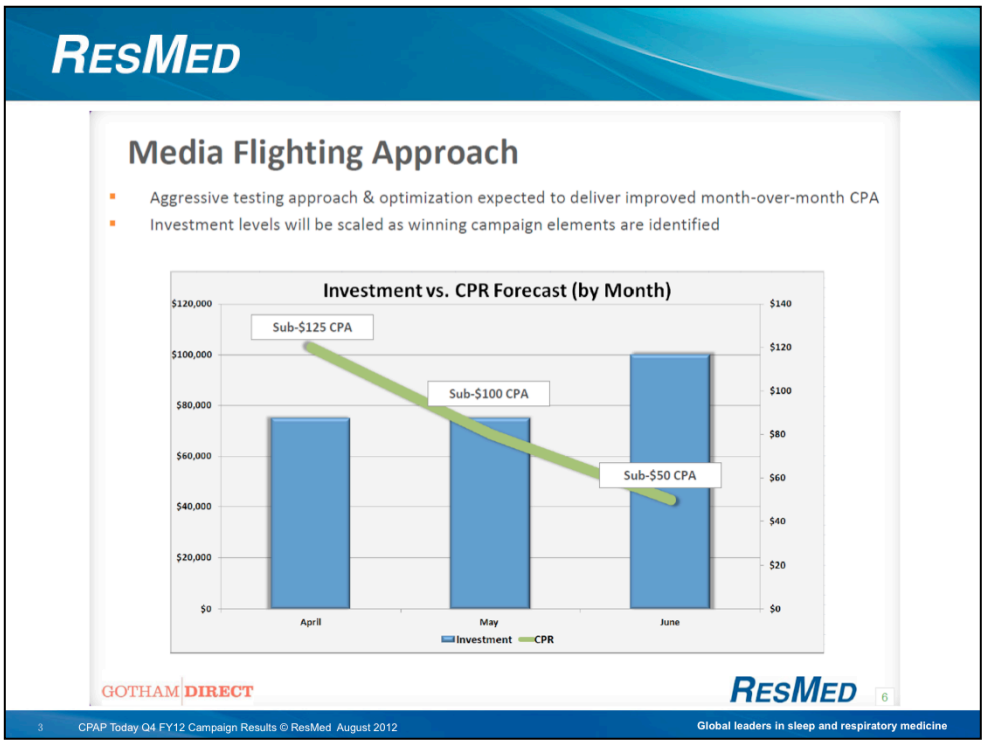
-Gotham works with clients from Zappos to Hotwire to Allegra

-You'll see Gotham's results slides through this presentation

-Gotham has the ability to write contracts with media partners that can be cancelled after as little as 24 hours if we don't see the results we want. Gotham also provides us with great rates—better than we could get on our own.

-Gotham has dedicated staff who reviewed campaign performance daily and optimized as necessary throughout the campaign.

- Metrics for success were # of registrations and cost per registration



From the original plan. Start out with smaller spend to see what works. Then ramp up spend while increasing efficiency of spend.

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Initial Media Plan

- The initial CPAP Today media plan included:
  - Display Partners
    - AdRX
    - Turn
    - Remedy Health
    - WebMD
    - Everyday Health
  - Search (Google)
  - Custom Endemic Site Network
  - Social (Facebook)
  - Co-Registration
    - Quality Health

Custom endemic – sites like sleepguide.com, apneaboard.com, etc.

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Summary and Detailed Results

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Performance Channel Overview

Overview:

- The CPAP Today campaign delivered:
  - Investment: $232,500
  - Impressions: 139,767,668
  - Clicks: 91,436
  - Visits to Site: 78,609
  - CT%: 0.07 %
  - Conversions: 6,598
  - **Final Campaign CPA: $32.90**
- Quality Health and Facebook had the lowest CPAs ($13.04 & $25.69, respectively)
- Quality Health delivered the largest number of conversions (4,639)
- AdRx and Remedy Health were cancelled due to high CPAs, low conversions

ResMed CPAP Today Cumulative Delivery Report (April 17 - June 30)

Media	Site Name	Spend	Impressions	Clicks Recorded	GA Visits	CTR%	Conversions	CPA
Display	AdRx	$12,749.49	1,246,918	5,232	4,450	0.43%	26	$490.36
	Turn	$30,000.00	86,156,040	40,510	40,677	0.05%	417	$71.94
	Remedy Health	$11,421.19	1,176,651	7,596	6,430	0.65%	43	$265.61
	WebMD	$22,307.53	2,334,874	3,765	1,593	0.16%	106	$210.45
	Everyday Health	$20,000.00	1,879,931	2,815	2,351	0.15%	183	$109.29
Search	Google Search	$29,509.48	1,872,856	12,416	7,008	0.66%	378	$79.13
Custom Endemic Site Network	Custom Endemic Site Network	$14,889.00	3,976,270	3,569	3,180	0.09%	192	$77.55
Social	Facebook	$14,797.34	41,124,128	15,533	12,920	0.04%	576	$25.69
Co-Reg	Quality Health	$61,000.00	n/a	n/a	n/a	n/a	4,677	$13.04
Brand Study	Vizu	$12,500.00	n/a	n/a	n/a	n/a	n/a	n/a
Creative Fees	Creative	$2,925.97	n/a	n/a	n/a	n/a	n/a	n/a
	Total:	**$232,500.00**	**139,767,668**	**91,436**	**78,609**	**0.07%**	**6,598**	**$32.90**

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Actual spend on ads, awareness study and minor creative fees was $232.5 of the $250k ($17.5). Balance went to planning costs.

Almost 140 MM impressions.

78k visits to the landing page

6,500 consumers registered for the brochure thereby becoming a lead we can contact in the future.

CPA – cost per acquisition, cost per registration, cost per lead - $32.90

Quality Health produced vast majority of leads. That is what the co-registration program is designed to do.

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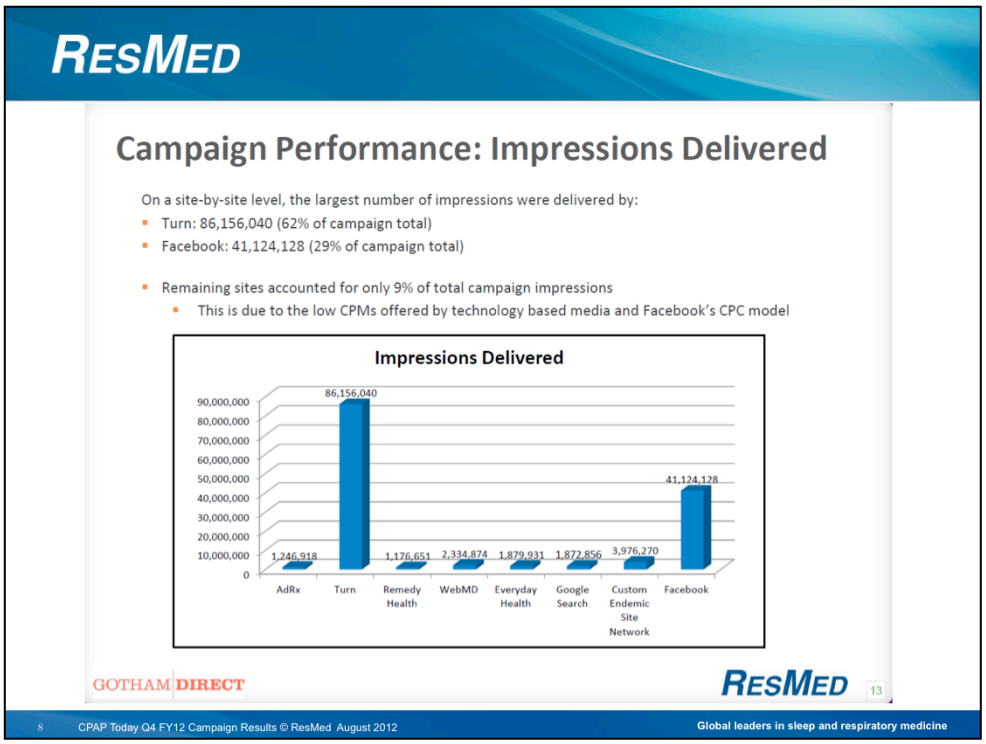
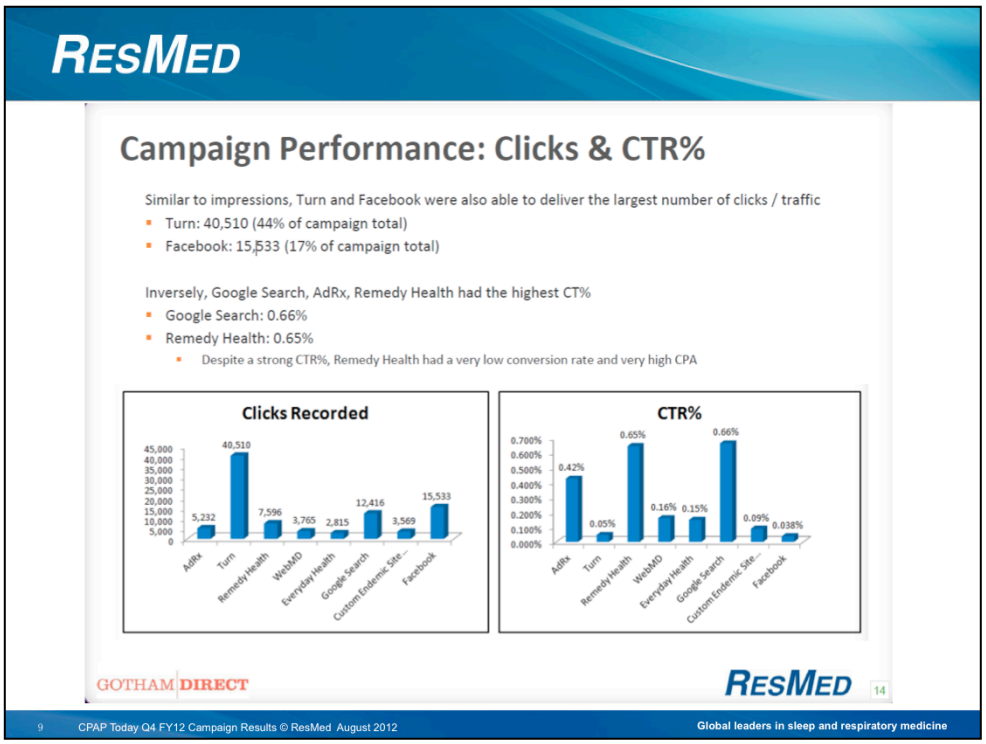
Comparison to earlier pilot campaign

	Q4	Pilot
Costs		
Cost per 1000 impressions	$1.66	$2.55
Cost per visit	$2.96	$3.62
Cost per registration	$32.90	$124.02
Rates		
Click-through rate	0.070%	0.070%
Conversion/registration rate	7.22%	2.92%

Trying to show that we are improving as we learn how to effectively advertise to consumers.
Pilot spend was $60k total. Pilot ran 3 weeks in Jan 2012.

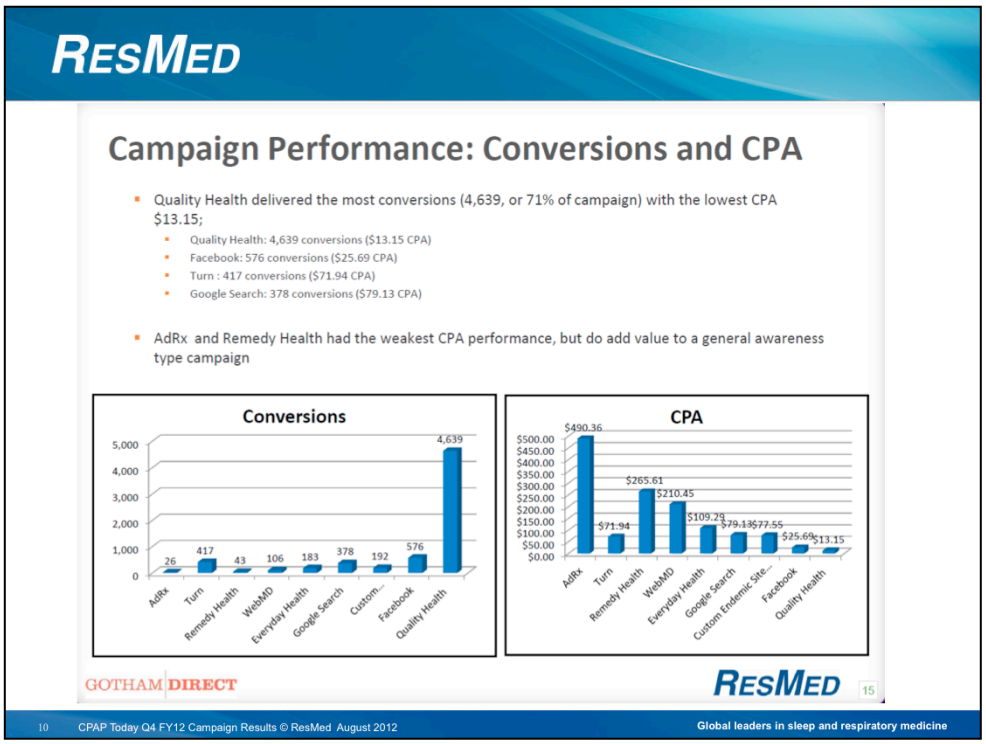


A quick look at the impressions by tactic. The Turn network brought in a lot of impressions, followed by Facebook. Turn's cost per impression is very low, hence we could and did buy quite a lot of impressions.



Turn and Facebook also provided the largest number of clicks, but low CTR. (Facebook average CTR is .035%, so we're actually a tiny bit higher than average.)

Google Search had high CTR, a good tactic for the future.



Quality Health overwhelming produced the most registrations/conversions, but remember they don't provide impressions or site visits.

Per Gotham, our Facebook campaign was overwhelmingly successful—it's not typical for their other clients. Consumers are looking for more information on sleep apnea and CPAP treatment.

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Media Performance Review: Co-Reg Detail

- The Quality Health co-registration campaign ran from 5/29 – 6/29
- 10,167 total leads were collected
  - Of these, 4,677 (46%) opted-in for future communication (checked the box in the below screenshot)
    - For our purposes, this is what we considered a conversion
    - Campaign CPA: $13.04 (Best CPA campaign-wide)
- Offer completion rate among total program participants averaged 72% (QH benchmark: 30-40% offer completion rate).

Program Synopsis	
Launch Date	5/29/2012
Total Contracted Leads	10,167
CPL	$6.00
Opt-In Leads	4,677
CPA	$13.04
Spend	$61,002.00

Monthly Lead Breakdown		
Month	Leads	Opt-In Leads
May	2,667	1,227
June	7,500	3,450

Please check below if you would like to receive product and educational information from ResMed, including:

- Tips and tools for getting the most from CPAP therapy
- Info on traveling with your CPAP device
- Patient Testimonials

☐ I would like to receive product and educational information from ResMed.

If you suspect you have sleep apnea, **contact your physician for an evaluation.**

If you have already been diagnosed, **contact your home medical equipment provider to get a ResMed F-X mask and S9 device** and start getting a better night's sleep.

View ResMed's Privacy Policy

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Wanted to share a bit of additional information on the Quality Health co-reg.
People are hungry for information.
These were great results for QH as well—unexpectedly high!

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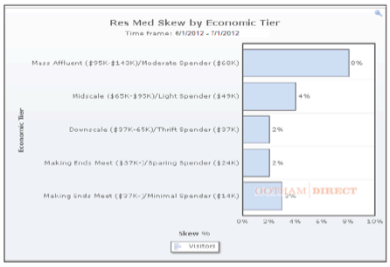
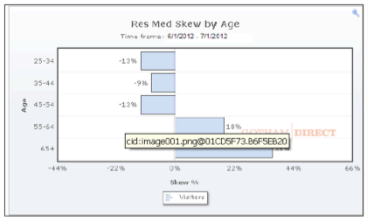
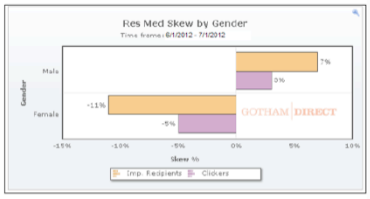
Audience Insights

Display Detail: Turn Audience Insights Data

- Cookie data captured by Turn's pixel technology showed that the primary visitors to the ResMed CPAP today page indexed toward:
  - 55-64 and 65+ year old age group
  - Mostly males
  - Mass affluent ($95k-$143k) / Midscale ($65k-$95k)







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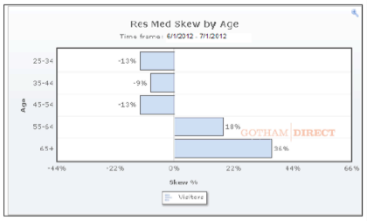

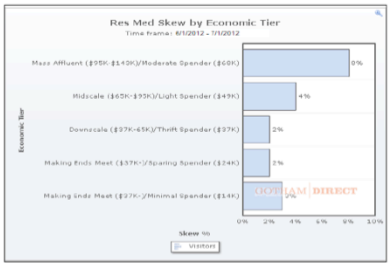

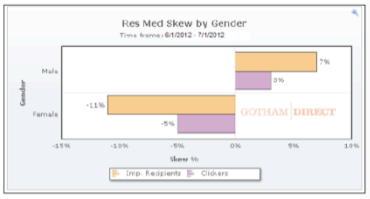

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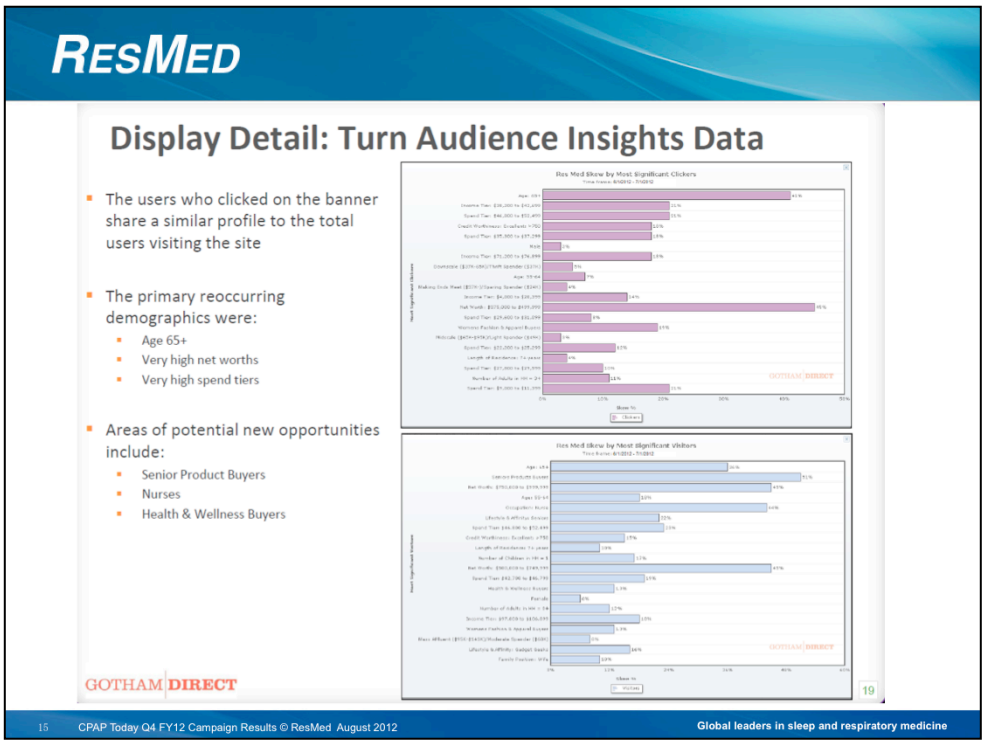

Healthcare professionals are also looking at these ads. This can only help us.

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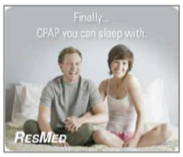
Creative Performance

Creative Overview: Banners

CPAP Today display campaign included:

- Four creative themes
  - "Couple"
  - "Feet"
  - "Personalization"
  - "Testimonial" (Launched mid-June)
- Five creative Sizes
  - 300x250
  - 728x90
  - 160x600
  - 120x600
  - 468x60

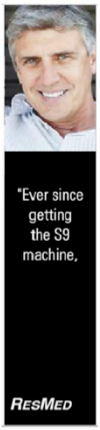
(120x600 & 468x60 available for "Testimonial" only / are only 2 sizes for "Testimonial" concept)



"Couple" Banner

"Feet" Banner

"Personalization" Banner



"Testimonial" Banner

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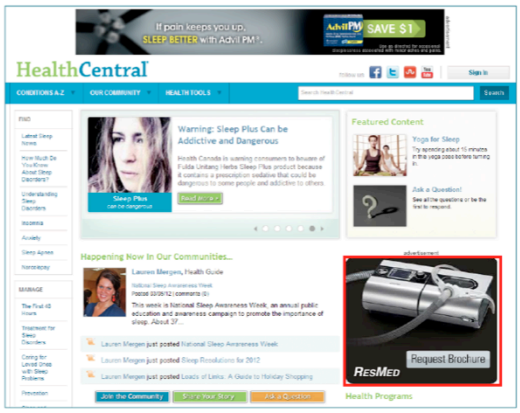
Sample Screenshots: Remedy Health

- 300x250 banner



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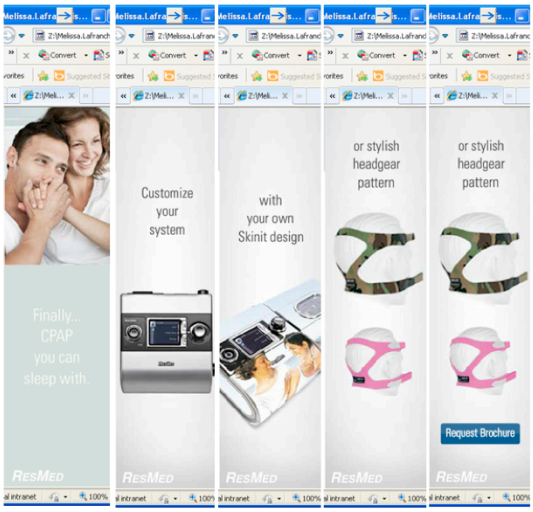
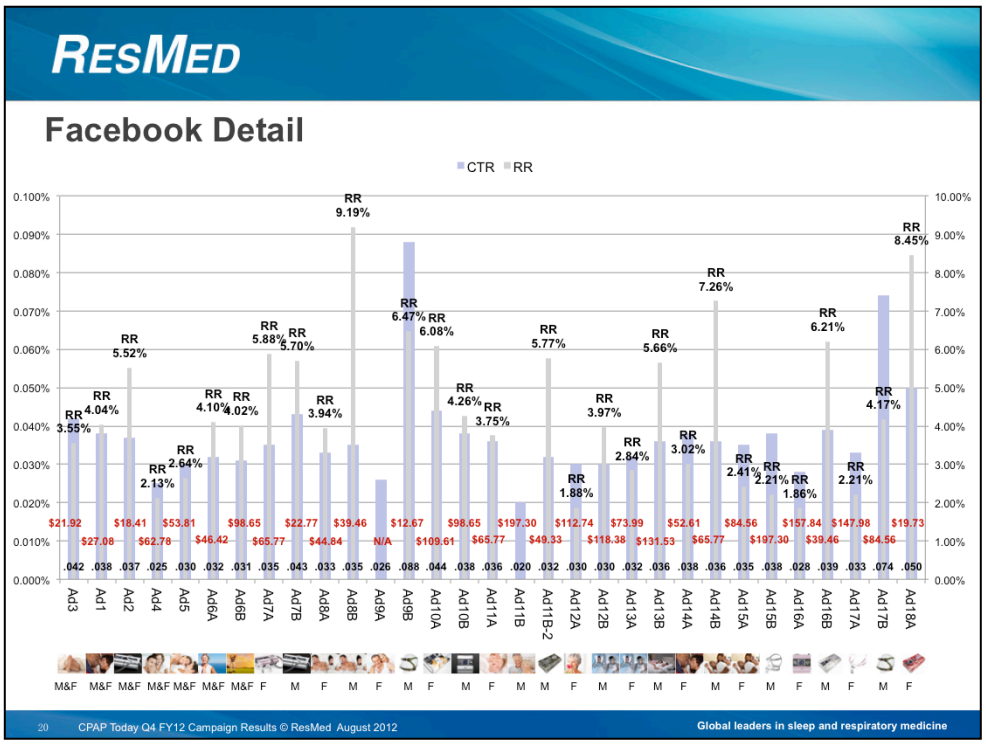
Most successful banner ad



Couple images combined with product—especially personalization products were most successful.



We'll review the standouts on the following page.
Successful creative is easy to see!

Camo headgear – highest click through and very high reg rates for men.

Product images generally more appealing for men.

Floral skin – highest click through for women and high reg rate.

Snoring image – very high registration rate for men and decent click through rate. Men could relate to this image/issue.

Obviously, we're looking for a combination of a high CTR with a high Reg Rate.

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Creative Performance: Google Search

The 3 best performing text ads accounted for 84% of investment and 87% of conversions:

- Investment: $25,401
- Impressions delivered: 1,367,803
- Clicks: 10,187
- CTR: 0.75%
- Conversions: 332
- CPA: $76.51

- Top Creative Text Ad;
- "Sleep Apnea Treatment": CPA $68.17 , CTR 0.78%
  - Worst performing Ads (not included below): "snoring" related

ResMed CPAP Today Google Search Report (April 17 - June 30)						
Site Name	Spend	Impressions	Clicks Recorded	CTR%	Conversions	CPA
Text Ad Spend (Google Search)	$29,909.48	1,872,856	12,416	0.663%	378	$79.13

ResMed CPAP Today Google Search Top 3 Text Ads (April 17 - June 30)						
Search Keyword	Spend	Impressions	Clicks Recorded	CTR%	Conversions	CPA
Sleep Apnea Treatment End Those Sleepless Nights With Resmed's CPAP Therapy System.	$9,815.80	564,992	4,430	0.784%	144	$68.17
Comfort Sleep System Get The Sleep You Need With The New Comfortable And Sleek CPAP System.	$7,676.03	363,264	2,817	0.775%	102	$75.26
ResMed Sleep Therapy Solve Your Sleep Problems With An Advanced CPAP System From Resmed.	$7,909.39	439,547	2,940	0.669%	86	$91.97
Total:	**$25,401.22**	**1,367,803**	**10,187**	**0.745%**	**332**	**$76.51**

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Three stand-out ads. We know which ads capture people's attention. We now need to continue to improve the landing page to increase registrations.

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Awareness Survey

Vizu Study Overview

Overview:

- Awareness study launched with Vizu, ran concurrently with ongoing CPAP Today campaign

Goals:

- Measure baseline awareness levels of ResMed (& select competitive set) among target audience
- Assess the scale of awareness lift as a result of advertising

Methodology:

- Divide audience across primary display sites into control & exposed segments
  - Control: Not exposed to ResMed campaign / banners across any sites
  - Exposed: Exposed to ResMed campaign/banner
- Deliver a single-question survey question to control & exposed segments

"Which of the following CPAP manufacturers have you heard of?"

- *ResMed*
- *Philips*
- *Respironics*
- *Fisher and Paykel*
- *None of the above*

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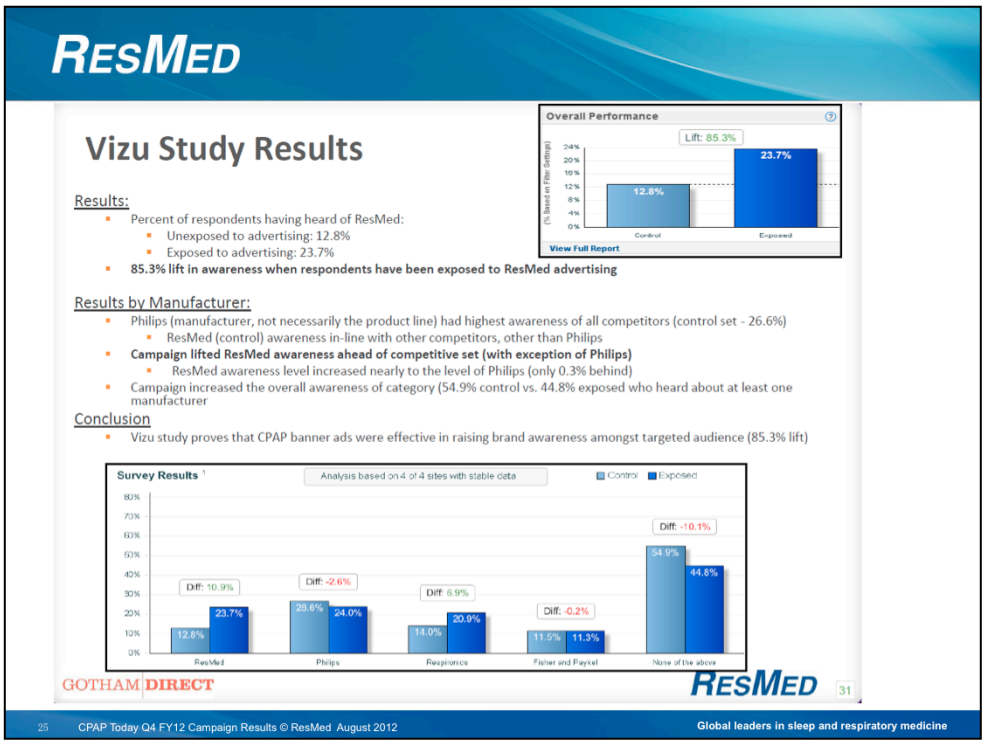

We can see that the ads are having a positive impact on consumer awareness.

There is a chance that consumers currently confuse ResMed with Respironics as Respironics saw an increase in awareness through our campaign period as well. (or Respironics may have been running a consumer campaign of their own.)

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Summary & Key Take-Aways from Gotham

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Summary & Takeaways

Overview

- The CPAP Today campaign was both successful and scalable
- The campaign proved to be a performance driven campaign, beating projected CPA goals
  - The campaign proved to be a brand awareness driving campaign

Analysis

- Co-Registration drove the highest scale of applications at the most efficient CPA
- Search and social media were both efficient and high scaling drivers of brochure downloads
- Display media was critical in driving general awareness and brand presence (exposure to banners lifted brand awareness by 85%)
- Click-through-rates were not correlated or indicative on number of conversions or CPA (performance)
- Display banners containing product focused imagery outperformed banners with humans, particularly elderly
- Banners with younger adults also performed well
- Keywords containing "Sleep Apnea" and "CPAP" were the best performers
- Top text ad creative also contained "Sleep Apnea" content

Next Steps

- Utilize campaign insights and learnings to develop an optimal 2013 media campaign, which includes branding and awareness elements
- Further analyze audience insight data to consider additional target segments

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Successful.
Generated leads a relatively low cost.
Co-reg = most leads
Search and social = effective
Display/banner ads = helped increase awareness
Product images resulted in more leads.

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Lead Follow-up

- Waiting on final legal direction on how we can follow-up with leads
- Will determine how best to drive sales with lead follow-up:
  - Rebate or coupon?
  - HME locator link?
  - Survey to ask if they've contacted HME/physician?
  - Link to MyResMed and encourage patient to join?
  - Link to WUTS and encourage to join?
  - Replenishment/resupply brochure/information?

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FY 13 Campaign

- We are in planning stages now for the FY 13 campaign which will run from 9/7/2012-6/30/2013
- We will combine the CPAP Today and WUTS campaigns to increase efficiency of spend and to get best rate through Gotham
  - Spend will be allocated per departmental budgets
- We will leverage learnings of Q4 campaign to choose the most effective tactics and creative for success