

To Optimize the Customer Experience, Integrate Sales and Marketing Channels

An executive
summary

By creating long-term relationships with health care providers through customized, integrated sales and marketing campaigns, pharmaceutical companies can generate a sustainable competitive advantage.



Peter Mehr, PhD,
Principal
ZS Associates

“Optimizing the customer experience is easier to say than to actually do,” said Peter Mehr, PhD, Principal, ZS Associates, who spoke at the CBI iPharma Conference on May 8, 2014, in New York.

Before optimizing the customer experience, pharma companies need to define what the customer experience actually is. Generally, customer experience is the sum of all experiences that a customer has with a supplier of goods, services or both over the duration of the relationship with the supplier. In the case of healthcare providers (HCPs), pharmaceutical companies should look to establish consistent engagement with HCPs across all channels over time, which entails integration of marketing and sales channels to deliver the desired customer experience.

Breaking Down Silos

Historically, pharmaceutical companies have engaged with HCPs via individual silos: they sent promotional emails, mobile messages, direct mail, and other marketing messages to HCPs while at the same time sales reps detailed the very same HCPs. All of this was done in an uncoordinated fashion.

Recently, pharma companies have integrated outbound marketing messages to improve the customer experience. While a good first step in fashioning the customer experience, outbound HCP marketing accounts for only a fraction of the total number of “touches” with the HCP. So if integrated outbound marketing messages are the only contact designed to improve the customer experience, then the end result is only a modest change in the HCP engagement and, correspondingly, a modest change in sales growth.

By comparison, pharmaceutical companies that are optimizing the customer experience across all marketing and sales channels will see significant gains in customer engagement and, ultimately, sales growth. Creating this linkage between sales and marketing is already underway.

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“The introduction of iPads to the sales force enables pharmaceutical companies to send information to the sales reps about upcoming marketing activity targeted to each physician and whether the physician has responded to prior marketing tactics,” said Mehr. “By leveraging the sales rep’s knowledge of the physician and the physician’s practice to inform marketing, pharmaceutical companies are able to develop and deliver more personalized, relevant campaigns, which increase customer engagement and sales growth.”

An Orchestrated Plan

Ultimately, responding to HCPs’ needs in real-time is a key part of a well-orchestrated customer campaign. Sales reps should be empowered to plan customer details with each other, stay informed of other promotions within the pharmaceutical organization, provide customer insight, and change the promotion to better optimize customer experience.

To succeed at delivering an optimal customer experience to HCPs, Mehr said a company must have five capabilities:

Capability 1: Build a 360-degree customer database.

To optimize the sum of all experiences, we must have visibility into each experience. The goal of the 360 customer database is to capture data on every HCP engagement—offline and online, push and pull tactics—to understand what happened, when it happened and with what content. Storing and integrating this data to develop a complete 360 view of the HCP is critical to understanding their preferences.

Capability 2: Develop HCP preference models.

Using engagement data, we can develop HCP preference models to understand and then predict each HCP’s channel and message preferences across marketing and sales. Using these predicted scores, HCPs can be micro-segmented by value, message and channel preferences. A promotion campaign will be optimally developed for each micro-segment.

Capability 3: Design the HCP promotion strategy.

The HCP promotion strategy integrates business objectives with what we know about the HCP. Specifically, using the value, message and channel preference micro-segmentation, it is now possible to directly build 6- to 12-month campaigns that are designed to match the HCP’s preferences. Including value in the segmentation process ensures that the amount spent on promotion does not exceed the potential HCP value.

Capability 4: Deploy the HCP promotion strategy.

With the HCP promotion strategy developed, deploying it sounds straightforward. However, this is where companies struggle the most. The 6- to 12-month customer campaign strategies need to be translated exactly into the tactical promotion plan. This requires a tight link between strategy and execution and is accomplished by mapping out the tactical plan—month by month—for each campaign.

Capability 5: React quickly.

As the campaign unfolds, more HCP preference data is generated. There is usually a small group of HCPs whose preferences are changing. As this data is captured, these HCPs can receive different treatment to reflect their changing preferences. This ability ensures that customers stay engaged, instead of tuning out.

In conclusion, Mehr stressed that the idea is that in delivering the optimal customer experience, sales and marketing must be included. However, fully integrating marketing and sales is still a work in progress across the industry. But, as Mehr said, “Many pharmaceutical companies are starting to pilot these types of customer promotion strategies and it won’t be long until scale is reached.”

About ZS Associates • For nearly 30 years, pharmaceutical and biotech companies around the world have chosen ZS to help them develop and implement winning sales and marketing strategies. Their expertise ranges from strategic work focused on questions such as the development of the future pharmaceutical commercialization model to tactical matters such as physician targeting and segmentation. They can also provide operational support to sales and marketing organizations through their outsourcing offerings. Using proprietary, field-tested research and problem-solving tools and processes, ZS can help you succeed at the global, regional and local levels.