



ZS ASSOCIATES

SALES & MARKETING INSIGHTS

# ZS Interview: Turning Digital Marketing Into Real-Life Results

Participants: Jean-Jacques Raoult and Jackie Cuyvers

## How Digital Marketing Will Change Pharmaceutical Marketing

Marketers are atwitter about digital marketing and social media. Will your pharmaceutical company be part of the conversation?

Facebook, Twitter, blogs, videos, virtual communities and other platforms have become de facto marketing tools. Big Pharma has embraced many of these platforms, but not always wholeheartedly. Meanwhile, many pharmaceutical companies are skeptical about digital marketing's promise or worry about future regulation. (The FDA is expected to release guidance on social media soon.)

Jean-Jacques Raoult, a ZS Principal who works in pharmaceutical marketing, and Jackie Cuyvers, a ZS Knowledge Management Consultant who specializes in digital marketing and social media, talked about the social media and digital marketing revolution, and how pharmaceutical companies are responding—or are trying to.

## About the Participants

Jean-Jacques  
Raoult,  
Principal

ZS Associates,  
New York

JJ focuses on global accounts and change management, and has worked with many pharmaceutical companies on sales and marketing issues.



Jackie Cuyvers,  
Knowledge  
Management  
Consultant

ZS Associates,  
London

Jackie helps lead ZS Associates' digital marketing and social media efforts. She has extensive experience in digital marketing with a host of companies.



## Where does the pharmaceutical industry stand in digital marketing?

**JACKIE CUYVERS:** Pharma is behind other industries. The industry is regulated, and there are restrictions on how pharma companies market themselves and their products.

That said, all the top pharma companies are engaged in some way—we don't know of one without Twitter, and a lot have Facebook pages. Most use video detailing or webinars, and have "listening" tools. But they're not engaged in all spheres of digital marketing.

**JEAN-JACQUES RAOULT:** You obviously see an appetite in the market, and a lot of interest within ZS, so there are lots of initiatives going on within our firm. But we haven't seen a huge number of industry marketing initiatives overall.

Like Jackie mentioned, there's a big shadow about the FDA and the regulatory aspect of marketing. When you see a magazine ad, there's one page that's an advertisement and three pages of disclaimers about what happens if you take that drug. How do you do that on Twitter? For pharmaceutical companies, that's a challenge. Nobody's figured out what's going to happen.

It's important, a profound change in our society, and we have to help them get on the train. We're not sure how it's going to happen, but it's going to have an enormous effect on the pharmaceutical business.

## What are pharmaceutical companies asking ZS?

**JEAN-JACQUES:** Some companies are asking how to get into this space—many smaller companies are doing little or nothing, and they simply want to know what to do. But there are some that are plunging ahead, making a leap of faith. One of our clients has a team of 30 people doing digital marketing plus external support, and others are still considering what to do. It's really a spectrum of different positions.

## But despite the interest, there are also nonbelievers.

**JEAN-JACQUES:** Yes, there is a lot of skepticism. Some marketers say that they don't see the impact, or don't see what social media is really going to do for them. There is healthy skepticism in marketing; pharma marketers are used to the channels that they've traditionally worked in.

It's understandable. It can be difficult to get traction for social media, and difficult to measure its effectiveness. There are some things we feel like we do know. We know that it's easier to measure the impact of video detailing and webinars than for blogs or podcasts, but detailing and webinars are also much more expensive.

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## How do you overcome the skepticism?

**JEAN-JACQUES:** It's important to remember that even if something doesn't work today, it might work tomorrow. Investing in digital marketing today is insurance that you won't miss a critical move that might be effective for your brands later.

**JACKIE:** Another thing to help overcome that is "strategy first, implementation second, measurement third." A lot of people skip over the first part. They have to ask: Who is the audience? Who is your target? How does digital marketing align with our overall marketing strategy? And there has to be measurement—otherwise, you're just putting stuff out there with no measurable return.

## Despite the naysayers, are you seeing innovation from pharmaceutical companies?

**JACKIE:** We are seeing some innovative approaches. To reach doctors, pharmaceutical companies are building communities or participating in existing ones, or they're launching iPhone and iPad apps. For instance, there are free apps that give dosing guidelines for thousands of pharmaceuticals. That's providing value to doctors. But the app means that companies are getting information about doctors: which doctors are using the app and what kinds of doctors.

**JEAN-JACQUES:** Innovation is also important from the perspective of sales and marketing operations—they should plan, track and measure these new channels in sync with the more traditional ones.

## Why?

**JEAN-JACQUES:** Estimating ROI for digital marketing is the ultimate goal, but you should capture other metrics first. It's important to understand what's happening and look for better ways to implement new channels.

We know the time doctors spend with reps is declining, while the time they spend on the Internet is going up. From that perspective, you don't have a choice but to engage in Internet marketing, because the Internet is where the doctors spend more of their time. Companies have to assess what share of the Internet they can get for their brands.

## You mentioned the FDA earlier. What do you expect to happen with new regulations?

**JEAN-JACQUES:** Hopefully, the FDA will come up with regulators that are reasonable for everyone. It's a major issue, because the regulatory aspect has repercussions throughout marketing.

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Suppose a pharmaceutical company has a Twitter account, but because of regulations, let's say it needs someone to approve all messages posted to Twitter. And let's also say this approval process can take up to two months—the company may have hundreds of tweets awaiting approval! If you're the marketer, do you even remember the tweet you wanted to send two months ago, and is it still relevant?

### **What fundamental advice do you have for pharmaceutical companies?**

**JEAN-JACQUES:** When you look at Twitter, Facebook, blogs and the rest, what's fascinating is that these media interact with each other. The strategy shouldn't be about deciding which one to pursue, but how to get customers from point to point, or into a funnel to direct them where you want them to go. One social media tool alone is not going to do that. You put up a tweet, but where do you go from there?

Ultimately, what's going to be useful is an integrated approach. A single type of digital marketing is not a solution.

## **About ZS Associates**

ZS Associates is a global management consulting firm specializing in sales and marketing consulting, capability building and outsourcing. The firm has more than 1,500 professionals in 19 offices around the world, and has assisted more than 700 clients in 70 countries. ZS consultants combine deep expertise in sales and marketing with rigorous, fact-based analysis to help business leaders develop and implement effective sales and marketing strategies that measurably improve performance.

As the largest global consulting firm focused on sales and marketing, ZS Associates has experience across a broad range of industries, including medical products and services, pharmaceuticals, biotechnology, high tech, telecommunications, transportation, consumer products and financial services.

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1-11  
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