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Getting the Most Out of Technology for Multichannel Marketing: Automate, Learn, Adapt

Executive Summary

Prescribers' expanded use of a wide variety of channels presents new opportunities for life sciences companies to drive stronger engagement around their brands. By understanding prescriber behaviors and implementing the right underlying capabilities, the industry can utilize all channels, old and new, personal and non-personal, to deliver an experience that addresses prescribers' needs, enabling them to hear the messages directed their way.

In this white paper we look at the key ingredients of (and barriers to) multichannel marketing (MCM) effectiveness in life sciences companies, and how to apply the **'automate, learn and adapt'** formula for success. Using these methods will improve customer experience and help companies get more value out of their multichannel initiatives.

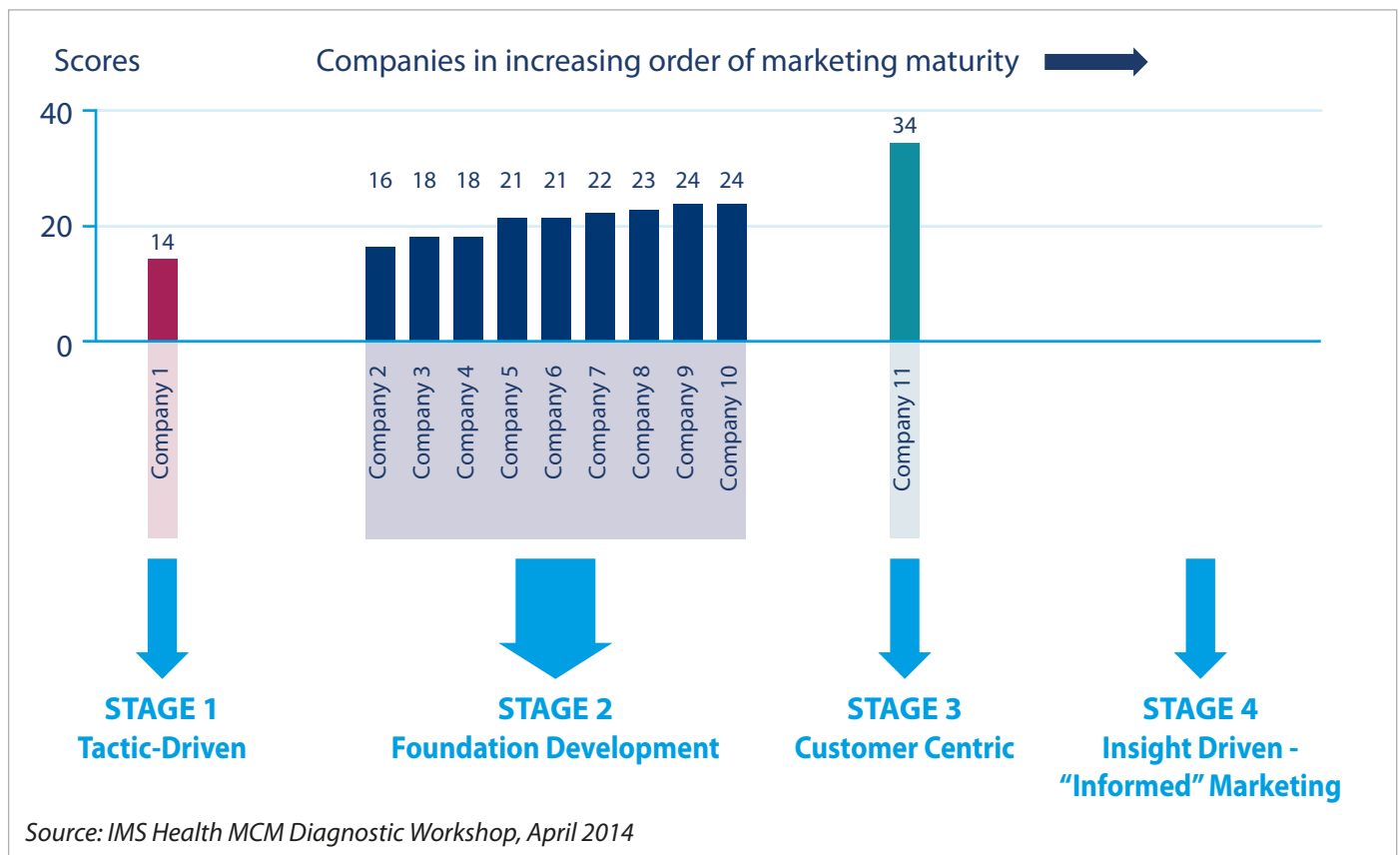## The New Opportunities in Multichannel for Life Sciences

Effective multichannel marketing to healthcare professionals (HCPs) is about orchestrating a range of personal and non-personal delivery channels – web, phone, sales visits, email, mobile, direct mail and so on – to engage them over time via a constructively cumulative set of interactions. The aim is to ensure that the right message, in the most appropriate format and at the right frequency (so they don't get tagged as spam), reaches the customer at a time that is both convenient and most likely to provide a valued experience or service.

Achieving this requires advancing from the traditional 'push' or 'tactic-driven' marketing model and adopting a process that involves three key stages:

- Foundation: integrating data to secure a 360-degree view of customer interactions;

- Customer Centricity: matching customer requirements and channels to get the most effective combination of touch points;

- Informed Marketing: applying data and insights in an agile way to optimize campaigns and see the return on investment (ROI) steadily improve over time.

While the majority of life sciences companies have put significant focus on building multichannel capabilities over the past few years, many still have some distance to go to achieve their desired end-state. This became clear when IMS Health conducted a recent diagnostic workshop designed to map companies' progress on their MCM journey. Investigating 11 life sciences companies, the analysis focuses on key building blocks of MCM maturity and reveals that the majority are still laying the foundations (see Figure 1).

FIGURE 1: MANY LIFE SCIENCES COMPANIES CONTINUE TO WORK ON FOUNDATION DEVELOPMENT STAGE FOR THEIR MULTICHANNEL MARKETING

Scores   Companies in increasing order of marketing maturity ➡

40											34	

14   16 18 18 21 21 22 23 24 24   34

Company 1 | Company 2 | Company 3 | Company 4 | Company 5 | Company 6 | Company 7 | Company 8 | Company 9 | Company 10 | Company 11

STAGE 1
Tactic-Driven

STAGE 2
Foundation Development

STAGE 3
Customer Centric

STAGE 4
**Insight Driven -
"Informed" Marketing**

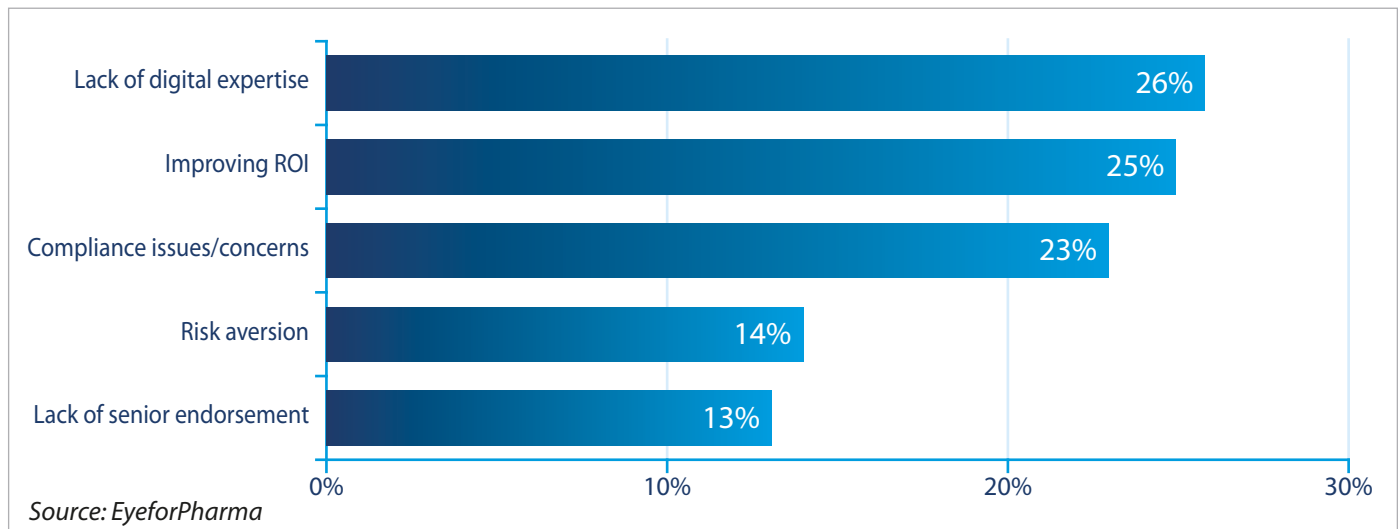*Source: IMS Health MCM Diagnostic Workshop, April 2014*

The key observation is that many life sciences companies get stuck in data integration (part of the foundation stage) – a necessary step but only a precondition to the promised business benefit. Streamlining data integration is critical so that clients can rapidly move past this phase to more value-added stages. This is made easier when using tools configured to address the specific data and process requirements of life sciences companies.

> The key observation is that many life sciences companies get stuck in data integration

Furthermore, non-differentiated operational IT tasks, such as integration of applications, often overwhelm available resources. The end result: falling further behind customer expectations. Figure 2 shows the most significant barriers to MCM success as described in a polling exercise from an EyeforPharma webinar involving 1,073 life sciences executives. 'Lack of digital expertise' topped the list of challenges.[1]

FIGURE 2: LIFE SCIENCES BLOCKS TO MULTICHANNEL MARKETING EXCELLENCE

Barrier	Percentage
Lack of digital expertise	26%
Improving ROI	25%
Compliance issues/concerns	23%
Risk aversion	14%
Lack of senior endorsement	13%

Source: EyeforPharma

While all engagement routes must be considered, digital expertise is important because physicians continue to increase their reliance on the web, with 98 percent of HCPs now searching for medical information online.[2] Furthermore, according to a study by Manhattan Research, 4 out of 5 physicians now use smartphones or tablets for work or research. However, the content provided by industry is not keeping pace as only about 1 out of 3 audited life sciences websites are optimized for viewing on a mobile device.[3]

This all confirms the need to engage with the prescriber's decision-making process more effectively across a wide array of both personal and non-personal interactions, with each centered on individual customer's needs and preferences.

To accomplish this, life sciences companies can follow a process of 'Automate, Learn and Adapt', as explained below, to intelligently and efficiently engage with their customers.

1   (2014) Multichannel: Time for Implementation. EyeforPharma. Retrieved at:
    http://www.eyeforpharma.com/download/content-multichannel-marketing.php.

2   (2014) Multichannel: Time for Implementation. EyeforPharma. Retrieved at:
    http://www.eyeforpharma.com/download/content-multichannel-marketing.php

3   (2014) Life sciences Mobile Apps and Websites for Physicians: Benchmarking Current Efforts and a Framework for Optimizing Mobile Strategy.
    Manhattan Research. Retrieved at: http://www.manhattanresearch.com/Products-and-Services/Digital-Competitive-Landscape-Series/
    Framework-for-Optimizing-Mobile-Strategy

Automate

To effectively manage customer interactions across channels, life sciences companies need to automate certain processes that may have been manual or fragmented in the past. These include the following:

1. **Data collection:** Most companies do not have processes in place to fully integrate their customer information despite the fact that having a complete view of customers is a key foundation of effective MCM. Figure 3, taken from the same diagnostic workshop mentioned previously, shows that less than 20% of respondents believe their customer information sources are fully integrated. The end result is that decisions are made with incomplete information and may be suboptimal.

   One reason companies work with fragmented information is that data may sit with disparate vendors and require manual processes to be collected and integrated. The resulting inefficiencies mean that companies spend time and resources bringing data together that could be better applied to designing and executing campaigns to serve customer needs. To work more effectively means ensuring automated linkage of all key sources to a central hub, as well as developing a data governance process that includes policies for compliant data sharing. This is the only way a 360-degree view of customer behavior can be achieved and, crucially, maintained.

2. **Customer preference management:** Likewise, many companies lack a comprehensive approach to tracking and managing customer communication preferences. They may either manage preferences ad hoc by individual program or use a blanket opt-out approach across all content and channels that effectively tells the customer, 'you either get everything from us or nothing'. Automating and centralizing preference tracking across all program elements and channel types enables a more nuanced view of what each customer is interested in and how they want to interact with you. A glimpse of what can be achieved can be seen in Figure 4, which displays how technology can be deployed to manage customer preferences over various marketing campaigns.

FIGURE 3: MANY LIFE SCIENCES COMPANIES CONTINUE TO HAVE GAPS IN INTEGRATION OF THEIR CUSTOMER INFORMATION

How integrated are your customer information sources? (N=18)

17%
22%
28%
33%

- Separate sources
- Partially integrated
- Mostly integrated
- Fully integrated
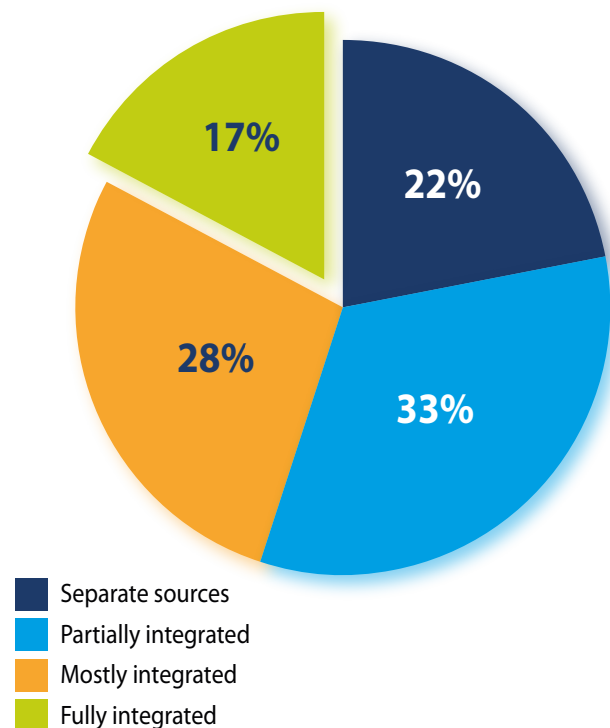
Source: IMS Health MCM Diagnostic Workshop, April 2014

FIGURE 4: EXAMPLE CENTRALIZED PREFERENCE TRACKING ACROSS CHANNELS

Communication Medium	Email	Direct Mail	Phone Call	Text Message
Valid Address or Number	✓ Valid	✓ Valid	✓ Valid	✓ Valid
Atrino General Communications	✓ **Opt-in**	● **Opt-out**	● **Opt-out**	● **Opt-out**
ProzalanD Marketing	✓ **Opt-in**	✓ **Opt-in**	✓ **Opt-in**	✓ **Opt-in**
Zoltrace Marketing	● **Opt-out**	● Cannot contact	✓ **Opt-in**	● Cannot contact
Diabetes Management - HCP	✓ **Opt-in**	✓ **Opt-in**	✓ **Opt-in**	✓ **Opt-in**
Solitrax Marketing	● **Opt-out**	● **Opt-out**	● **Opt-out**	✓ **Opt-in**
Zenulin Marketing	✓ Okay to contact	● Cannot contact	● Cannot contact	● Cannot contact
Source: Nexxus Marketing Preference Management Center				

3. **Campaign journeys:** A central tenet of effective MCM is being able to plan and deliver messages across all channels to ensure a cohesive customer experience and strong follow-through over time. Having an intelligent automated approach to executing 'campaign journeys' for each customer allows brand managers to orchestrate the volume, sequence and cadence of touch points across carefully structured pathways. Customer activities such as opening or not opening an email or starting to prescribe can be used as triggers for subsequent messaging. Using a drag-and-drop visual tool helps brand managers and partners focus on the art of delivering the campaign rather than the drudgery of planning. By establishing clear rules in advance for specific customer segments, tailored experiences that adapt to customer responses can be generated, as Figure 5 illustrates.

FIGURE 5: EXAMPLE AUTOMATED COMMUNICATIONS FLOW FOR A SYMPOSIUM

Source: IMS Health, Nexxus Marketing Journeys Feature
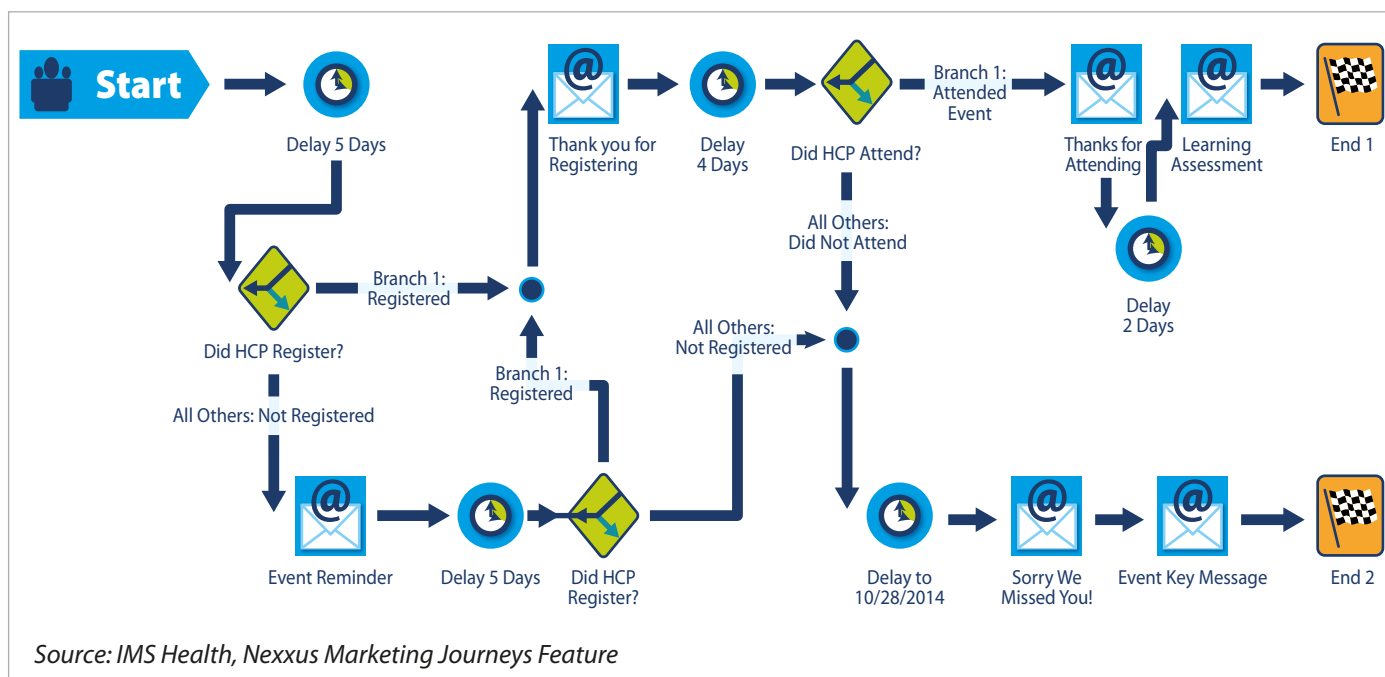
Learn

A hallmark of effective marketers is that they drive steady improvement over time. Once a brand establishes a solid strategy into the automated execution described above, the next task is to learn by assessing programs operating in the real world to deepen the understanding of how prescribers navigate their buying process. There are a number of important enablers of this process, including:

1. **Structure and oversight:** As we have seen, an effective MCM program depends on a 360-degree perspective of customer interactions and preferences. To make sense of the data, however, teams need an owner with oversight across the various programs and channels to understand the full customer experience. It is vital that marketers have an overall view of the entire campaign for a particular brand and, if applicable, the different indications that may be marketed. There is also a need for a view across brands and franchises because HCPs often receive multiple communications from the same company. Firms, particularly those with multiple products in the same therapeutic area, need to ensure this is coordinated so messages retain a high 'signal' value with very low 'noise'.

   Companies differ in how they delegate the oversight function. Some have established centralized multichannel marketing groups that manage customer experience across the organization and the various brand managers who may have their own individual goals. Others outsource to partners who can bring special expertise in this area. The essential point is to avoid the fragmented view that can result from different project owners who have a narrow focus on discrete program tactics – for example, when life sciences companies treat digital as a separate activity, rather than integrating it with other channels and looking at the customer holistically.

2. **Testing:** Establishing a strong technological and structural foundation for MCM is crucial. This forms the basis for developing the capacity to assess effectiveness, refine options and adapt methods over time. This should include regular A/B testing on sample cohorts of customers to improve message effectiveness, the relative impact of offers, even the tone and language of each communication.

   Taking advantage of automated tools and building in a regular process that enables A/B testing can inform decisions and support innovative combinations of promotion and engagement. Applying the lessons learned from testing will drive up aggregate response rates over time.

   For example, one healthcare company regularly tests subject lines on emails to sample cohorts of customers before deploying large campaigns. Through this process they have observed that targeted subject lines that speak to their specific segments result in consistently higher 'open and click-through' rates than general subject lines, with improvements ranging from 25% over baseline to as much as 300% in some cases. The 'subject' of an email is your headline. If you fail to grab the recipient's attention, the critical information that follows is lost forever.

3. Field integration: The field force is an essential component of multi-channel campaigns, remaining as the most influential channel in the promotional mix. They can play a strong role in facilitating access to other channels providing services and content while also serving as a valuable resource to understand the qualitative attributes of your campaigns. Knowing how a customer felt about a communication is crucial insight often not readily discoverable in the quantitative response metrics. Sales people can collect input after campaigns have been launched to gather the tenor of customer reaction, find out which outreach efforts have been noticed, which have been mentioned to colleagues (positively or negatively), and, critically, what else can be provided to improve their understanding of a product or service.

The advent of tablet computers allows the integration of brief surveys into the detail process. These surveys automatically capture, collect and report attitudinal data on how a prescriber feels about the launch of a new drug or indication. Collecting this information across an entire sales team produces invaluable insight for improving the next campaign.

> **DIAGNOSIS OF LIFE SCIENCES MCM MATURITY**
>
> Areas evaluated in the MCM-maturity diagnostic include:
>
> - Degree of integration of customer information
>
> - Granularity of campaign segments
>
> - Brand process for planning and executing campaigns across channels
>
> - Accessibility of campaign data / reports
>
> - Timing and frequency for campaign optimization
>
> - Types of marketing technologies used and degree of integrations with other systems (e.g., link with sales or finance)

Engaging sales personnel in the campaign both improves their effectiveness and mitigates concerns they might have about being displaced by electronic promotion. In reality, multichannel programs work best where a sales rep has already established a relationship with the HCP. Non-personal tactics can help seal gaps that might exist in the rep's access to a doctor – but companies get the most out of multichannel when it extends and is nurtured by an existing relationship.

4. Metrics to monitor: While each company has its own metrics tailored to its campaigns, there are common flags to evaluate that may suggest adjustments. Pay attention to spikes in opt-out rates around particular messages, channels or segments. These can be a warning sign that frequency is too high or the message is not connecting with a given audience. Likewise, tracking which customers are making it through the full campaign journey and which are dropping out early can inform how to better segment customers and tailor messages. Some companies are also looking beyond traditional campaign metrics and tracking studies to monitor social media sentiment for signals about the positive or negative impact of a given promotional effort. This has become easier for companies to manage with the advent of compliant tools for monitoring social media and managing adverse event reporting processes.[4]

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4   (2014) Engage with confidence: Managing online adverse event reporting. pharmaphorum. Retrieved at:
    http://www.pharmaphorum.com/white-papers/engage-with-confidence-managing-online-adverse-event-reporting

Adapt

Once you have the right tools and processes in place to collect insights from real world customer behavior, the next step is to quickly adapt campaigns to the lessons learned. This means optimizing campaigns while they are still in market rather than waiting six months to conduct a post facto assessment. While retrospective analysis is still the norm for many companies, it is not optimal because it comes too late to affect the outcome of the original campaign. When the goal is maximizing the ROI of every dollar invested in marketing, the ability to make evaluations and adjustments midstream is critical. Here are some key success factors for the adapt phase:

1. **Access to data:** Identifying improvement opportunities quickly has been a major challenge in the past because life sciences marketers have not had fast, direct access to campaign performance data. It may not have been accessible at all or could only be accessed at a significant lag by submitting a formal request to an internal data steward or even an external 3rd party (see Figure 6). Any potential for adjustments or optimizations often fade as the delay in obtaining the data typically stretches for weeks.

   Moreover, even after an insight is identified it has been historically challenging to make adjustments while a campaign is active. Moving from retrospective to predictive and dynamic analysis allows activity to be targeted based on insight. Cloud-based tools provide web-based dashboards with live data on campaign performance accessible to key stakeholders like centralized multichannel marketing groups, brand managers, analytics teams and agencies. More importantly, there are tools that enable your customer communication flows to be changed in an instant.

> Cloud-based tools provide web-based dashboards with live data on campaign performance accessible to key stakeholders

FIGURE 6: MANY LIFE SCIENCES MARKETERS LACK DIRECT ACCESS TO CAMPAIGN PERFORMANCE DATA

How accessible are data/reports for your campaigns? (N=17)

6%
12%
35%
47%
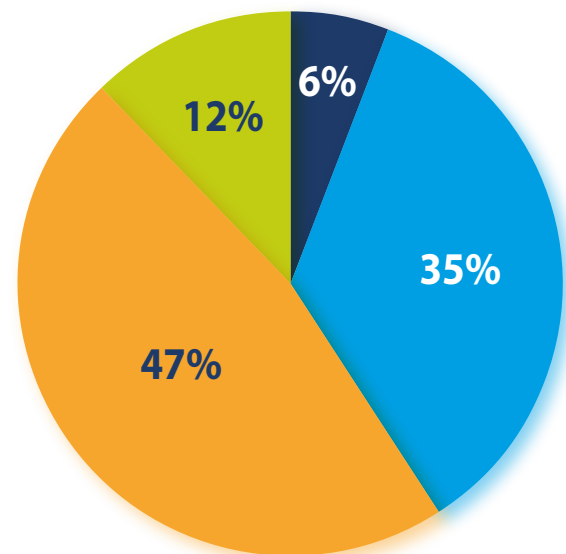
- No access
- Infrequent reports with limited data
- Data pulls require request to another group, require turnaround time
- Personally have direct and immediate 24/7 access

Source: IMS Health MCM Diagnostic Workshop, April 2014

It is important to maintain a focus on the needs, interests and attitudes of the customer

The result is that brands can adapt live campaigns in any manner deemed necessary to address what has been learned, including:

- Swap out a specific communication, such as an email asset, and replace it with a refined version;

- Trigger additional communications based on real-time campaign data such as survey responses;

- Add or delete segments in the campaign journey based on who is most responsive;

- Add communication streams to increase the number of follow-ups or address a potential customer response you did not initially anticipate;

- Immediately pause the entire campaign across all channels if it is not performing.

2. **Field integration:** As in the learning phase, field integration is essential for adapting programs to achieve multichannel excellence. This can take the form of triggering rep follow up when customers are not responsive at a given step in the campaign journey as well as reps triggering non-personal tactics. With the right integration of sales and marketing systems, companies can enable reps to trigger pre-approved multichannel follow-up activities specific to their particular customers based on what they learn in a call. This helps them become micro-marketers in their territories, fills the gaps between calls, and, importantly, increases their support for multichannel outreach to their customers.[5]

3. **Focus on the customer:** Adaptation is all about getting results from the 360-degree perspective of the customer and the capabilities established to operate effectively. At a fundamental level, MCM is a combination of three basic elements: customers, content and channels (including the rep). The central and most neglected component of this process is invariably the customer. So while a lot of conversation about multichannel focuses on the technology or the channel, it is important to maintain a focus on the needs, interests and attitudes of the customer in both designing your outreach and identifying improvements over time.

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5   *Mobile Micromarketing: Driving performance from strategy through execution. Retrieved at:*
     http://us.imshealth.com/Marketing/GTMN/MobileMicromarketing_WhitePaper_Final.pdf

Conclusion

Effective multichannel capabilities must enable meaningful engagement through a process of automate, learn and adapt.

It all comes back to understanding the customer buying process and the patient journey. This requires in-depth knowledge of preferences and interests, advanced segmentation to tailor communication and promotional messages, better alignment between strategic plans and campaign execution, optimizing budgets to invest in the right channels and good communication between marketing stakeholders to collaborate across personal and non-personal channels.

The power of MCM is to enable you to learn about customers as you engage them, applying data and insights to optimize campaigns and maximize ROI.

KEY SUCCESS FACTORS IN MULTICHANNEL MARKETING

- Automate, learn and adapt

- 360-degree customer understanding

- Customer preference identification based on collected data

- Follow through and continuous communication

- Continuity and consistency across channels

- Analysis in time for adaptation

CONTRIBUTORS

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