

How to Leverage Multichannel Data Models to Improve HCP Engagement

Pharmaceutical Industry



This white paper is the third installment in a series of five devoted to the topic of multichannel marketing to healthcare professionals. For more information, and complimentary copies of the other white papers, contact agency@harte-hanks.com or call (215) 944-9727 or toll-free (800) 456-9748.

Multichannel Marketing: Building Insight Models

In the initial two papers of this series, we discussed the changing communications landscape and offered an overview of how pharma marketers can utilize multichannel marketing (MCM) to effectively promote brands to healthcare professionals (HCPs), and how such implementations may be structured and executed on a global scale. This paper goes further to discuss the important role of data and modeling in the multichannel marketing process.

As marketing to HCPs shifts from being sales force-driven to having multiple channels working together for overall synergy and customer-centricity, it becomes paramount for companies, franchises and brands to adopt multichannel insight models and gain experience with them. The development and refinement of new predictive MCM models, which include the sales force as well as direct communications channels, are in their infancy in pharmaceutical marketing. But when such models are informed by engagement metrics such as open rates, click-throughs, completed business reply cards (BRCs), inbound phone calls, completed eDetails and sales representative visit requests – along with prescribing data – they can provide support for MCM strategies that incorporate:

- HCP channel preference – how the HCP prefers to be contacted (direct mail, telephone, email, sales visits)
- Channel synergy – how channel integration can be optimized to serve both HCPs and the brand
- Channel resource allocation – how to plan media budgets according to HCP channel preferences and synergies
- HCP segmentation – how grouping HCPs by various segments enables more relevant dialogue
- HCP messaging and offer strategies – differentiating communication frequency, media combinations and messaging to meet the needs of each HCP fittingly

What will become of the sales force approach? The sales force will likely remain the number one selling asset, but it will need to work in tandem with multiple channels to optimize HCP experiences and results. Rest assured, the traditional pharmaceutical model of utilizing prescribing data and sales force intelligence is

well-established, successful, and not going away any time soon – but it is, and will be, evolving. The ultimate goal is for multichannel marketing to achieve the perfect synergy with the sales force – to strengthen its efforts by extending the conversation with HCPs and continually delivering key brand messages that resonate with HCPs’ needs.

While multichannel marketing predictive models are nowhere close to the industry standard set by the sales force-only models, these “models of the future” will hold the key to successful MCM programs targeted at healthcare professionals.

Today, data solution tools do exist, such as a Franchise Intelligence Repository and a Channel Mix Selection Tool (both of which we will detail in this paper). These tools can be accessed to build more informed MCM programs and, consequently, drive improved engagement and improved return on investment (ROI).

The question is: which brands and which manufacturers will take the biggest and best evolutionary leap into MCM modeling, for more impactful and efficient HCP marketing programs, campaigns and planning tools?

**Multichannel
marketing models can
change how pharma
manufacturers
engage HCPs**

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Getting Started with MCM Models: What Data Does a Brand Require?

To develop an MCM model, a few basic steps need to be taken to ensure availability of the types of data required to feed the model. This includes basic HCP demographics and internal brand-specific data used to track HCP patients and other transactional information. An audit of these data, and a review of their quality, is a necessary first step.

Basic HCP data include:

- Customer ID
- Name
- Physical Address
- Account Status
- Specialty
- Group or Private Practice
- Office Staff

There are also categories of external HCP data, and the tracking of this information needs to consider where such data originates and how recently it was updated, since these variables weigh in significantly on data quality. These categories might include:

- HCP demographic data – gender, years in practice, and name
- Educational data (university / graduation date / residency program, etc.)
- Certification / license
- Geographical / location data

Transactional data include HCP interactions with the pharmaceutical company/franchise or the brand itself, and may include the following:

- Program enrollment – participation in brand- or manufacturer-sponsored programs by type, with enrollment and participation dates noted
- Detailing – information on the number of times and dates an HCP is called on, and may include his or her use of eDetailing as an alternate method
- Campaign response – reaction to specific outbound campaigns / offers

- Samples – availability plus consumption of samples; how samples were offered; and how many were used by type and date
- Basic segmentation – assignment in any and all segmentation schemes, including:
 - Called on / not called on / no see
 - Prescribing data
 - Attitudinal segments
 - Other relevant segmentation schemes that would be appropriate for any given disease state or type of practice
- Channel preferences
 - Opt-in / opt-out status of HCPs across communication channels
 - Preferences: content, how they want to be interacted with, stated channel preference and derived channel preference
 - Responsiveness: reaction to campaigns by type and channel
 - Use of office staff or “gatekeepers” to screen communications
- Prescription data – detailed prescribing behavior by time period
- Contact history data – detailed history of all outbound and in-person contacts, including:
 - Content: the subject matter of prior contacts with a prescriber
 - Offer: any particular offer(s) to which an HCP may have responded
 - Channel: documenting activity by channel or combination of channels
 - Date of activity where value/information was exchanged
 - Outcome of each activity including transactions

The various forms of transactional data will fuel the engines for developing more impactful MCM modeling tools and, in turn, better-designed MCM campaign programs.

MCM: Grounded in Data and Measurement

By leveraging multichannel marketing to increase reach and frequency where appropriate, improved relevancy and engagement can be achieved among targeted segments. Improved engagement levels can lead to trial and intention, increased usage, and eventually brand loyalty and advocacy. These engagement

levels can be monitored and measured easily, and recorded in a relational database. The best part is that these interactions can be optimized rather quickly through data management, leading to greater customer relevancy and engagement. The improvements can ultimately be confirmed by transactional data and observed changes in prescribing behavior. Measurement and models can drive optimized MCM and, in turn, improve sales, market share and ROI.

MCM models, which incorporate field sales force activity alongside transaction, channel and contact data, will offer value beyond what ROI measures. For example, they can offer value in the following areas as well:

- Tailoring brand messages across groups of similar HCPs
- Optimizing contact strategy through multichannel synergy
- Driving improved HCP engagement through more relevant communications designed to change prescribing behaviors
- Enhancing sales force efforts by extending their reach, literally reserving visits for the most profitable exchanges
- Sharing knowledge across franchises for an enhanced HCP experience, by brand, disease state and, where global data are in play, by region/nation of origin

So how do we model for multichannel marketing? Here are two unique options for consideration: the Franchise Intelligence Repository (FIR) and the Channel Mix Selection Tool. The Franchise Intelligence Repository serves as the overarching data and technical platform approach that facilitates all MCM analysis, development and execution. Meanwhile, the Channel Mix Selection Tool enables the optimal deployment of any MCM program.

Franchise Intelligence Repository

The Franchise Intelligence Repository (FIR) serves to mine existing data on healthcare professionals from various sources, both internal and external, to create the desired “360-degree” view of prescribers. Armed with this view, marketers can deploy the right tactics to reach the right audience based on drawn insights. This exercise helps move the brand or franchise closer to having a one-to-one relationship with prescribers, through value-driven exchange. The repository serves to create a competitive advantage that builds on continual interactions and helps a brand or franchise leverage HCP knowledge to build engagement, optimize spend and reduce costs.

The FIR is a vital analytical exercise because it provides:

- Improved tailoring of franchise messages across groups of similar HCPs

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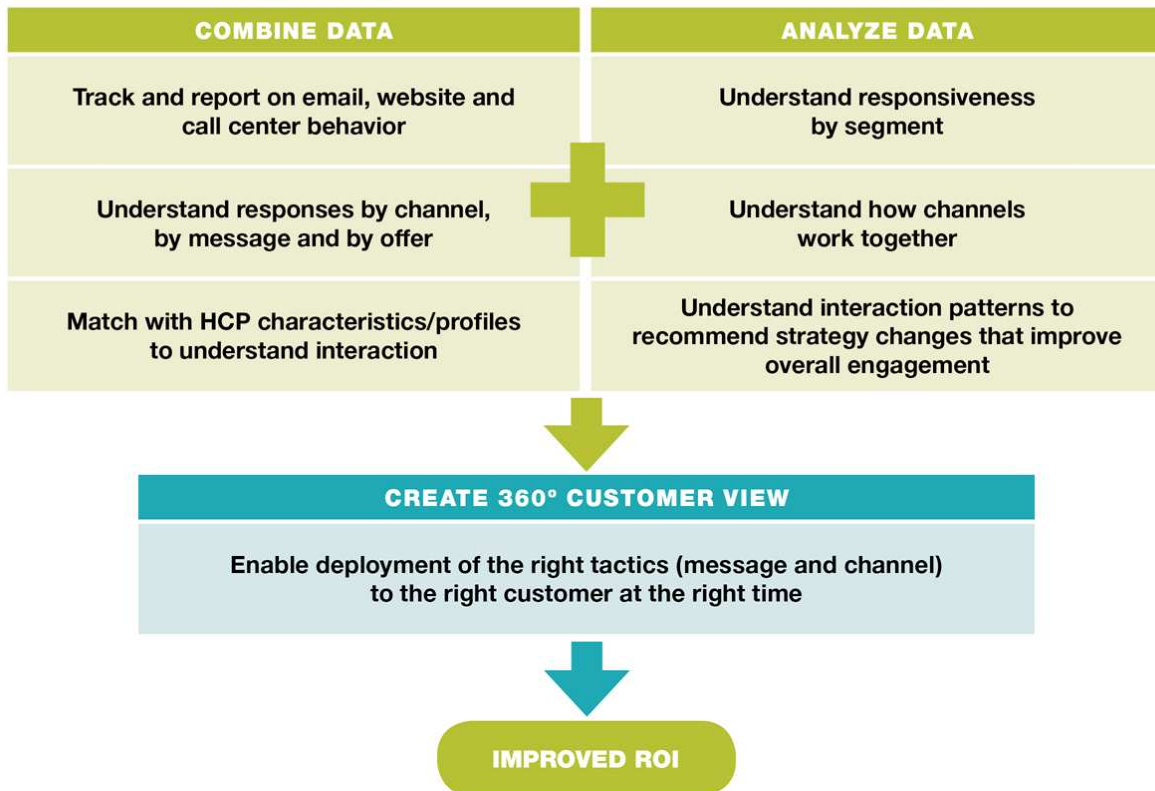


- Optimized franchise contact strategy through multichannel synergy, with or without a sales force
- HCP engagement through more relevant communications that are designed to affect prescribing behavior
- Enhanced sales force efforts by informing the sales force and extending their reach
- Competitive advantages through shared knowledge across brand teams

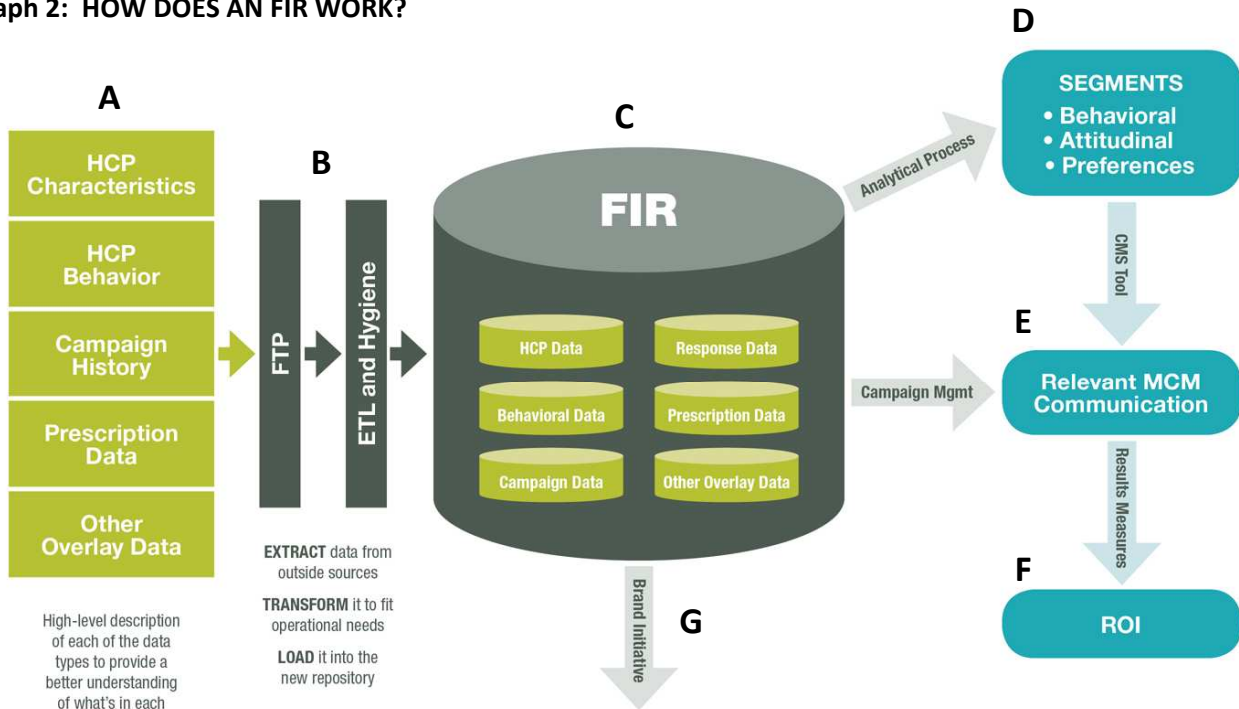
A Franchise Intelligence Repository is designed to help marketers decide what to do with all the robust data they already maintain, supplemented as needed from various sources. The underlying premise of FIR is: the more one knows about an HCP, the better one can develop and execute an effective one-on-one approach. But in order to use that knowledge, the information has to be pulled from the various sources into a single place that can facilitate the data mining and analysis in order to fully understand the HCP and hence build relevant multichannel programs. Outlined below is an effective approach to best accomplish MCM goals.

Better Understanding of Customer Behavior Enables Relevancy of Communication

Graph 1: WHAT DOES FIR ENTAIL?



Graph 2: HOW DOES AN FIR WORK?



- A.** Data are collected from a variety of disparate sources in various formats.
- B.** The primary means of transmitting data from various sources is via a secure FTP site on the web. Files are typically encrypted for transmission. This transfer can be periodic, routine and automated. Once files are on the FTP site, they are extracted, transformed and loaded (using an ETL process). They are typically cleansed, then put through a data and address hygiene program, and are linked via individual identification fields on the files in preparation for being moved to the FIR.
- C.** Once the data are imported and cleansed, they are analyzed and added to data already in various tables, depending on their data type:
 - Data about HCPs (name, address, type of practice, certification, etc). Such data could also provide information on channel preferences and any recorded opt-in/opt-out choices.
 - Behavior data cover any type of interaction the HCP has had with the company – how long they have been prescribing specific drugs (tenure with the brand), when they have been visited by a rep, etc. These types of data would include any web analytics about browsing behavior on specific sites – time on site, pages viewed, etc. – where a tracking mechanism is knowingly associated with an

individual professional. It also would include any email statistics – opens, click-throughs, and associated metrics.

- Campaign data provide details of every type of promotional campaign that has been sent, to whom each campaign element was addressed, what offers were included, etc. – across all channels.
 - Response data include any calls-to-action where known and how an HCP subsequently responded – e.g., return of a BRC, logging into a web site, etc.
 - Prescription data are provided by a third-party source – such as IMS. It provides detailed data on how many prescriptions the physician is writing, a time frame for these prescriptions, and incorporates all brands and drugs for a specific treatment.
 - Other overlays could include any external data that are purchased and brought into the database to help further understand the customers – such as American Medical Association data about physicians.
- D.** Analytic and data mining techniques are applied to the data in the FIR repository in a variety of ways. Typically, groups of prescribers who are similar in their characteristics and behaviors are grouped into segments. These can be based on the healthcare professional’s behavior (how much they prescribe, how they interact, etc), on their attitudes (typically collected via survey), or their preferences (what types of information they want to hear about and how that information may be communicated). Segments allow groups of HCPs to be addressed with campaign tactics and content specifically tailored to their needs. Again, data in the FIR help marketers understand how and when to run such campaigns, and the Channel Mix Selection Tool relies on that data to feed the MCM communications stream.
- E.** A campaign management tool uses data in the FIR to identify and group HCPs with desired traits. In conjunction with OCM, a rules-based campaign can then be deployed to take the right communication to the right HCPs using the right channel.
- F.** Experience has proven that when relevant communications are delivered via the proper channel, HCP behavior is influenced positively. Increases in prescribing behavior generally translate into net positive ROI.
- G.** The data in the FIR can also help inform more general brand initiatives by understanding prescribing behavior at the HCP level. Understanding where prescriptions are being written and by whom (as well as where they are not) can direct brand initiatives, both domestically and globally.

Channel Mix Selection Tool

The Channel Mix Selection Tool can be described as part microscope and part telescope – examining how best to integrate HCP communication channels. Its use provides credible answers as to why a particular outcome happened, in terms of media combinations, and it recommends channel spend – taking into consideration other goals and constraints set forth by the brand’s management team. The tool is capable of predicting response at a high level of accuracy. And, it provides the ability to apply “what if” scenarios where variations in media allocation and spend can produce a distinct impact on results. In essence, it can inform a brand marketer as to what strategies and tactics ought to be considered, and through what channels these might be employed based on a brand’s capabilities, goals and budget.

The Channel Mix Selection Tool’s focus is primarily short term but can be made more powerful when used in conjunction with other analytics tools such as brand equity analyses and media-specific, in-depth analyses.

The tool can also be used to:

- Optimize a budget (by helping decide how to get the most sales from an existing budget)
- Tweak an existing plan to identify the best places to spend and the frequency of contact needed to meet objectives
- Understand what the sales impact would be for various spending levels
- Determine the incremental sales contribution (or loss) of channel additions (and deletions)
- Set a sales objective and understand how to budget marketing to achieve the desired objective
- Comprehend various spending and channel alternatives and their respective impact on marketing and campaign ROI

As a practical application of the Channel Mix Selection Tool, consider that it can be utilized to select a group of healthcare professionals based on such variables as specialty, prescribing habits per brand, and drug category as a whole, as well as demographics that might include size of practice, regions served, product lifecycles and more.

Based on the data output, the pharmaceutical marketer can choose one of two routes: 1) Maximize the budget, meaning “What are the best channels to use to reach top docs with my budget?” or 2) “What are the best channels to use to achieve a specified revenue goal?” In both scenarios, such financial considerations must be balanced with HCP receptivity toward the long term sustainability of the implemented MCM effort, and there are acknowledged implications to short and long term planning (See Chart 1). There are also two ways to select the channels involved: 1) Let the model inform the actual

channel selections, or 2) Choose the communication channels based on a preferred business bias and let the model decide the best way to optimize these channel selections.

Chart 1: CHANNEL MIX SELECTION TOOL

WHAT IT IS...	WHAT IT IS NOT...
Channel mix optimization	Media mix optimization
Tool to optimize marketing-controlled funds within a market (brand, country, region)	Tool to optimize one-to-one marketing
Strategic business planning methodology and tool	Campaign execution tool with messaging and creative optimization
Optimizes budget over a period of time	Optimizes the budget on a single channel
Ongoing process that improves over time	100% reliable at launch
Based on historical response data	Does not include environmental factors such as competition, product efficacy, etc.
Provides a recommended range for spending per channel with a minimum and maximum	A tool to understand how "new" media which is not being used can contribute
Marketing channel efficiency compared to industry benchmarks	Marketing channel messaging and offer effectiveness
Statistical approach to relate changes in short-term sales to spend in marketing channels to find the best channels to drive sales	An approach to manage radio, TV, and consumer mass media to find the best channels to drive short-term sales
Focused on short term (under 12 months)	5-year planning tool

To optimize multichannel marketing to healthcare professionals, brand marketers need to change how they approach, mobilize and leverage available HCP data and how to implement modeling of these data across an organization to inform more efficient, more relevant HCP communications. The organizations with the most marketing knowledge – and who apply that knowledge intelligently – will experience better HCP relationships for both the brand and prescriber, drive market share change, and have improved ROI on their marketing spends. As MCM marketing and modeling have arrived, early adopters stand to gain significantly if they have requisite multichannel strategy, creative and analytics teams in place.

Look for the other white papers in this series, which cover more closely such issues as the role of the sales force, implementing a global HCM program, HCP behavior in an online world, and how pharma multichannel marketing and communications compare with the best practices of other industries engaged in multichannel marketing.

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