

Reaching Healthcare Professionals: Insight-Driven Multichannel Marketing



This white paper is the first 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.

The tried-and-true approach of reaching U.S. healthcare professionals (HCPs) through a massive sales force is becoming a strategy of the past. The playing field has shifted. Consider these facts:

- Reports from SDI Health indicate that the number of sales representatives in the United States has decreased from a high of 101,818 in 2005 to about 81,780 in 2008, representing a 20% decline.
- Equally important is that the cost per engagement for sales calls remains high, ranging from \$142 to nearly \$600 per call.
- According to TNS Healthcare, for every 100 reps who visit a physician's office, only 37 leave their company's product with the healthcare professional, while only 20 actually have a face-to-face encounter with the HCP.

Faced with these many obstacles, how can pharmaceutical marketers recreate communication environments that effectively promote prescription drugs to HCPs? The new reality:

- Many pharmaceutical companies are realigning and consolidating territories while they face the requirement to accomplish more with less.
- Sales representatives carry "more products in the bag" than at any time before. Attention given to any specific brand is limited at best.

Time and money have changed how the game is played, and while there are fewer new medications on the market, and even fewer likely blockbusters in the pipeline, strategically important brands still need to be promoted. The evolution in marketing pharmaceuticals to HCPs will continue. Companies that build their teams to fight on the new fields will win market share, as long as they have a smart communications infrastructure to support these streamlined efforts.

How can a pharmaceutical manufacturer change its current approach to leverage more effective, efficient multichannel marketing (MCM) models to reach, engage and influence HCPs? Who has the knowledge and experience to drive this change across channels – while conserving field sales for most productive use? How can one improve return on investment (ROI)? Who will use these skills to win market share? A wise pharmaceutical marketer will ask these questions internally now – before the next set of changes begins.

This white paper discusses the transition to and integration of MCM, and how multichannel engagement will change all HCP information and marketing programs going forward.

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Table of Contents

Multichannel Marketing Maximizes Brand Potential	4
Market Challenges Have Changed Physician Behaviors	4
Multichannel Marketing Solutions	4
MCM Key Success Factors.....	5
Two Effective MCM Approaches.....	6
MCM Promotional Best Practices	7
Grounded in Data and Measurement.....	9
Optimal Channel Mix is Evolving as Models Develop.....	10
Knowledge-Based Campaigns to Drive Success.....	10
Developing an Effective MCM Database	11
Required Data for Effective MCM Marketing.....	11
Steps to Develop Effective Data Solutions to Support MCM Programs:.....	12
Conclusion.....	13

Multichannel Marketing Maximizes Brand Potential

Nearly every marketing challenge in the U.S. pharmaceutical sector today has some relationship to a multichannel concern, whether it's a need to reach doctors and healthcare providers in their channel(s) of choice, or an opportunity to leverage those channels for selling, detailing and sampling activity. When deploying multichannel marketing in reaching out to HCPs, the cost per unique engagement most often is substantially less than a sales call, and might potentially supplement or replace many of these calls for specific purposes. The results, for example, might include increased time spent reading an e-detail communication, or downloading screening and monitoring tools related to patient education.

SDI Health recently reported that the average amount of time spent by a physician in a single e-promotion activity was 18 minutes. Thus a multichannel strategy might focus on enabling such engagement activity. Simply stated, a targeted, well-placed banner ad with a strong call-to-action statement that leads to an e-detail can be more cost effective and capture more physician time than a traditional sales call. Obviously, a banner ad can't replace all communications and sales calls, but it should be part of a well-planned channel mix alongside other relevant messaging with similar calls to action. Brands need to be staged for all channels used by HCPs – and staged not just for impression, but for engagement as well.

Market Challenges Have Changed Physician Behaviors

Increased financial pressure from payers has created a revolving door in some physicians' offices. Nonetheless, this pressure has led to physicians working faster and smarter. Physicians are no different than today's consumers in that they expect immediate gratification on informational needs and recognition of their unique needs in each channel where they communicate. Smartphone usage is ubiquitous; physicians are online continuously throughout the day looking for information to support their patients and practice. There is a growing trend of physicians wanting to spend more time online. All this leads to greater opportunity for marketers to provide value in each and every channel at the onset and then establish a dialogue based on a meaningful exchange. The paradigm has shifted: the sales rep is not always the preferred answer – and is, in fact, not always most welcomed. Online channels and other less-intrusive channels have become more accepted as the norm.

Multichannel Marketing Solutions

Why is MCM a viable answer for HCPs? Why should a pharmaceutical marketer implement a MCM program in the first place? What follows are key reasons why MCM can make an impact above and beyond brand impressions and sales force augmentation:

- HCP information and insights derived from such an effort will help to maximize brand strategy and segmentation while allowing for reinforcement of brand messages, particularly where direct-to-consumer advertising also is leveraged.
- A well-devised strategy can help to appropriately identify and recognize key HCPs across multiple channels.
- Channel integration and a multi-touchpoint strategy can deliver a differentiated customer experience for each HCP. (Cadence and frequency are important to story flow.)
- Channel innovation – using best practice and the best technologies – provides for a seamless delivery of the desired customer experience. That is the communication mix for HCPs can be optimized using intelligent business rules based on expressed and observed preferences and usage.
- Coordinated channel execution supports the design, delivery, monitoring and measurement of solutions for HCPs. Using best practices helps ensure better return rates and measurements.
- Keeping HCPs engaged exclusively with the brand, in addition to engaging them in related non-branded channels sponsored by the manufacturer, will support a measurable ROI.

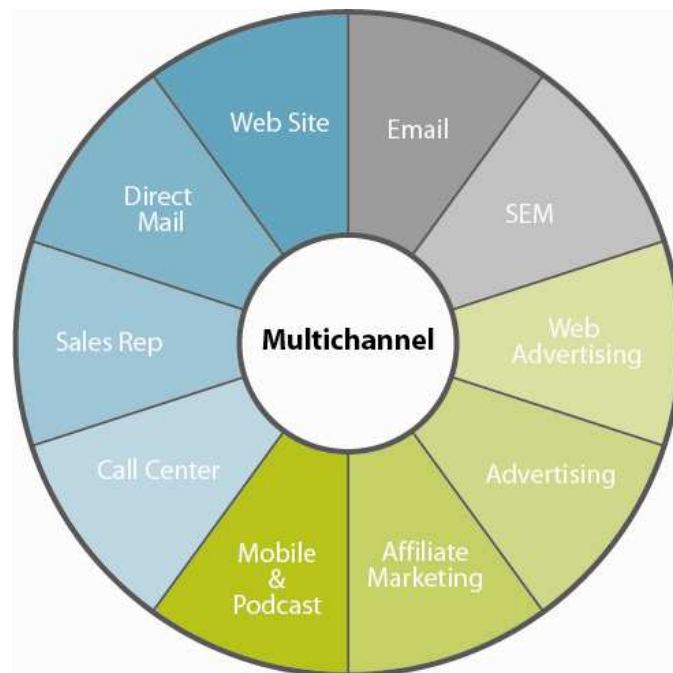
MCM Key Success Factors

The components of a MCM solution directed at healthcare professionals can be diverse, but there are key elements that help ensure success. A multichannel marketing solution should:

- Align to the brand strategy and creative platform while integrating direct marketing tenets and channel best practices
- Incorporate a segmentation strategy that considers product lifecycle, prescribing behavior, motivational attributes and rep call pattern
- Motivate segment-specific behavioral changes through differences in messages and offers
- Deliver the message through an integrated mix of channels while considering the HCP's channel preference
- Consider the company's channel capabilities
- Deliver a measurable business impact

The most effective MCM program extends the sales representative conversation and brand engagement. It extends, augments and amplifies the conversation between the HCP and the brand or franchise. A well-integrated program, with segmented, differentiated and integrated offerings across

multiple channels, can provide an increase in new prescriptions and has proven to do so for many brands.



As channels for communicating with HCPs have proliferated, so has the need for insight to inform an intelligent multichannel marketing communication strategy.

Two Effective MCM Approaches

Detail-by-mail is one effective MCM technique that has proven to break through clutter in professionals' offices. There are several situations that are ideal for detail-by-mail marketing:

- To complement the efforts of the field sales force to called-on HCPs
- To reach "hard-to-see" or "no-see" HCPs
- To communicate key brand messages to HCPs in vacant territories
- To promote key strategic brands that have been allotted limited or no time in promotional schedules

A creative detail-by-mail program is ideal for educating HCPs about a brand and for enhancing data profiles of target HCPs. For instance, a pharmaceutical marketer can use brief surveys to uncover the communications channel through which individual professionals prefer to receive information, as well as specific facts about their attitudes and insight into their practice and patient base. These

communications also can offer healthcare professionals the opportunity to request samples, coupons and patient education materials, and let them specify whether they want materials delivered in person or through the mail. This is true relationship marketing in action, helping to create efficiency by facilitating relevant, welcomed dialogue.

Detail-by-mail can be used to drive healthcare professionals to an online e-detail site, but special techniques – such as supplying a CD-ROM or Web key – may be used to make it simple for HCPs to access the information.

HCPs cite a lack of relevance in materials received as one of the main reasons for low response to mail. Most HCPs will not opt-in to email for brand communications. What's more, many pharmaceutical marketers do not fully and effectively leverage their databases as a foundation for engaging MCM techniques such as dimensional mail, e-detailing and telemarketing, which form part of an integrated MCM program.

A second approach, electronic detailing – or e-detailing – answers the primary challenge of traditional detailing: time restrictions. Through e-detailing, healthcare professionals can view material online, at their convenience. As they watch detailing presentations there, the time they spend receiving product information can lengthen by as much as 7-10 minutes. Healthcare professionals can accomplish most everything they would during a sales visit, including requesting samples, dialoguing with a sales representative and receiving company information – all via a digital channel or portal. They also can give valuable feedback by completing online surveys. Best practices for e-detailing require “opt-in” permission from each participating HCP – the practitioner agrees in advance to receive pertinent e-detailing messages.

MCM Promotional Best Practices

Before beginning any multichannel marketing program, a pharmaceutical marketer first must clearly establish objectives and create a measurement plan involving at least one, preferably more, of the following objectives:

- Increase awareness about a product in general or about specific information related to the product
- Generate an interaction or a request from a healthcare professional
- Increase total prescriptions

Many times a marketing roadmap has been created by the corporate marketing team only to be handed off to the brand team, but with no measurement plan to determine whether preset objectives are met.

A sophisticated marketer will establish objectives up front and work with an analytics resource to set up a measurement plan. In absence of proof that a program is working, there is risk that any program's budget will be cut – even if the program *is* working and simply is not measured correctly!

A word to the wise: it is imperative to develop the measurement plan before the tactics have been developed – since knowing the desired outcome state will shape the strategy and tactical plan. Some measurements, such as response rates for calls-to-action, are relatively simple to execute and monitor. But holding out a control group to measure differences in awareness, product knowledge or prescribing requires careful up-front planning.

If a healthcare professional has opted-in to receive emails or mobile communications, the hard part is achieved. Those professionals have confirmed that they want to have interactions with a company or brand in an affirmative manner. Combine this with the fact that digital generally is a low-cost channel (email and mobile communications in particular), and you have a winning combination. Usually, no gatekeepers are involved so a branded message gets straight to the target.



Digital marketing channels more often circumvent gatekeepers

But how can a brand reach HCPs through other channels?

- **Third-Party Email:** Even without an opt-in list, potentially 50% to 60% of target HCPs are accessible through email by way of a third-party list provider. A word of warning is necessary here: our experience shows that the open and click rates for these permission-based lists are usually low, with both open and click-to-open rates in the single digits. Costs run about \$0.50 per email address sent. A simple direct mail effort costs about the same, has more lasting value and likely will yield a better response.
- **Direct Mail:** Most often, there are two audiences for mail – the person who opens and sorts the mail and the healthcare professional him- or herself. Dimensional mail offers the best ability to get past gatekeepers and make a lasting brand impression with HCPs. We've conducted research through individual interviews with both healthcare professionals and gatekeepers and have learned that dimensional mail gets forwarded to HCPs more quickly than any other type of promotional mail. However, simple direct mail can be very effective, especially when offering hard-to-get or rarely offered product samples. We have seen double-digit response rates for such mailings.
- **Telemarketing:** Outbound calls are an excellent way to issue a personal invitation to a healthcare professional to attend a dinner meeting, teleconference, Webcast or an e-detail briefing. It is one of

the best non-face-to-face channels for selling products to practices that purchase directly. However, it is rare that the healthcare professional will answer the telephone directly. About 90% of the time, an office manager or other gatekeeper is the respondent. Thus, it's vital to design a telemarketing effort to enlist the gatekeeper to deliver the desired invitation and message. A good way to do this is to ask permission to fax the invitation, because fax machines are relied upon daily in healthcare facilities. The fax should be personalized to the recipient and it should be clear in the text that it *was faxed with permission*. We recently ran a program where nearly 100% of the HCP offices contacted gave permission to fax an e-detail invitation. And, 9% of the HCPs who received the faxed invitation subsequently accepted the e-detail.

*In multichannel,
the whole is
greater than the
sum of the parts*

Multichannel always works better than using a single channel, if only because each channel reinforces the other and increases likelihood of a response to any call to action. Remember that channel preferences are situational, not fixed. And marketers must always honor opt-outs. If a healthcare professional has said no to marketing-related email, this request must be honored to protect brand reputation and future access. A professional who says “no” to email may still respond to telemarketing or direct mail communications that are relevant to the practice.

If the goal of your MCM tactic is to generate an immediate, measurable response, then a compelling offer should be clear, concise and easy to respond. Our research has taught us that healthcare professionals usually respond well to offers of samples, clinical reprints, new clinical studies, downloadable widgets, useful patient teaching tools and invitations. All of these offers create a measurable and meaningful interaction with a given brand or treatment. We consistently find that a HCP's response to these types of offers correlates to his or her rate of prescribing.

Grounded in Data and Measurement

An important benefit of MCM programs is that they allow for more measurable responses across multiple channels. By leveraging multichannel to increase reach and frequency, improved 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 easily monitored and measured. The best part is that learning derived from insight and prior result can be optimized rather quickly, leading to greater customer relevancy and engagement, which ultimately can be confirmed by transactional data such as changes in prescribing behavior.

Optimal Channel Mix is Evolving as Models Develop

One significant challenge in multichannel messaging is how to deliver the optimal mix across all the channels, including the sales force. The traditional pharmaceutical model of utilizing prescribing data and sales force intelligence is well established and proven successful, but MCM predictive models are nowhere close to the industry standard set by the sales-force-only models in place today. However, these future models will hold the key to successful future MCM programs to HCPs, and statisticians are working to perfect these models using prior campaign and transactional data.

For the time being, the sales force likely will remain the number-one selling asset, but will work in tandem with multiple channels to optimize the HCP experience. The ultimate goal is for MCM to achieve the perfect synergy with the sales force to strengthen its efforts by extending the conversation with HCPs while continuing to deliver key brand messages.

There are multiple variables that influence the right mix of channels and messaging to achieve that synergy – given company capabilities, product lifecycle, targeted HCPs, product category and the changing payer environment – and incorporating these data points into campaign strategic planning represent current challenges. Careful thought and planning will be important, in addition to choosing and working with expert partners that have pharmaceutical and healthcare professional marketing experience, expertise in multichannel strategy and execution, and an understanding of the role each channel best provides, including that of the sales force.

Knowledge-Based Campaigns to Drive Success

The development of new predictive MCM models that include the sales force are in their infancy in the pharma arena, but when they are informed by engagement metrics and prescribing data, they can address the key issues needed to make an impact across such diverse and vital issues as:

- HCP channel preference
- Channel synergy
- Channel resource allocation
- HCP segmentation
- HCP messaging and offer strategies
- While the MCM models address those issues, they will offer value in these areas as well:
- Tailoring brand messages across groups of similar HCPs

- Optimizing contact strategy through multichannel synergy
- Driving HCP engagement through more relevant communications designed to change prescribing behaviors
- Enhancing sales force efforts by extending reach
- Sharing knowledge across franchises for an enhanced H experience

Existing sales force models and tools always will work in concert with multichannel marketing. The critical question: who will take the biggest and best evolutionary leap into MCM modeling and win market share with more impactful and efficient HCP marketing programs, campaigns and tools?

Developing an Effective MCM Database

When implementing MCM to engage a database of HCPs, the objective is to achieve a two-way dialogue each HCP. Data-driven marketing and messaging techniques can be used throughout the lifecycle of the product from pre-launch to post-launch. It is never too late to begin utilizing MCM strategies; however, there are a number of factors to consider when developing an effective approach. These include the product's therapeutic area, prescribing patterns, patient population and segmentation, competition, cost of therapy and the state in the product lifecycle – and all of these areas represent additional points of information that may have their own assigned attributes in the database or, at least, will inform the strategy underlying the eventual campaign.

Required Data for Effective MCM Marketing

There is a wide variety of data required to build an effective HCP multichannel marketing database. The large majority of the data is being captured by most major pharmaceutical companies already – though they may exist in separate silos that need to be integrated. The data range from basic HCP demographics to transactional data to prescription data. The key is pulling the data together in ways that will optimize the expected results of a multichannel effort.

Basic HCP data include elements such as name, address, account status, specialty and type of practice. The transactional data include HCP interactions with the pharmaceutical company/franchise or brand itself and also may include the following:

- Program Enrollment (with the Brand/Manufacturer)
- Detailing History (with the Brand/Manufacturer)
- Campaign Response
- Samples

- Segmentation (by Area of Specialty within Practice)
- Channel Preferences
- Aggregated Prescription Data

Steps to Develop Effective Data Solutions to Support MCM Programs:

Here are the action items required to implement a MCM approach...

Step One: Build HCP Marketing Database

Build a database of targeted HCPs by reviewing prescribing data, licensing or renting commercially available lists, conducting market research and reviewing prior results from offline marketing (via mail, telephone and print advertising) and online marketing (via Web site banner ads, emails, Web site polls and interactive advertising). Watch for data categories where there is missing or omitted information that may need to be accounted for before testing and analysis can be done.

Step Two: Identify Meaningful Market Segments and HCP Behaviors

Conduct research and analysis against the database, across Step One data variables, to identify meaningful differentiated HCP behaviors and motivations based on these variables. Modeling and segmentation may reveal patterns within data that help to predict likelihood of response. For example, in the beginning, a company may target HCPs with certain prescribing characteristics which may serve to indicate that they are likely candidates to be high prescribers for a specific drug. However, actual analysis and results may indicate otherwise and force the company to be more specific in its segmentation and targeting. Also any modeling activity can be validated in advance by setting aside a control sample from which a newly developed model can be applied – to see if the resulting segmentation that will flow from a model is a truly accurate predictor. A segmentation exercise will reveal those HCPs who are likely most responsive to any branded call to action.

Step Three: Test and Target Marketing to Segments

Market actively to those identified target segments using the appropriate message(s), timing, offers and channel(s) that deemed to be the most effective. If time permits, particularly with digital messages where cycles of communication are compressed, test a small portion of the outbound communication (10% of the total audience) before rolling out to the other 90%. It is important to track segment movement over time to facilitate analysis over what causes HCPs to migrate to more desirable (more highly engaged) segments. Building and mining this knowledge will be the basis for successful MCM programs over time.

Step Four: Set Metrics and Measurements

Establish a framework in advance to track, analyze and justify all expenditures against the potential return on investment. Determine key performance indicators (KPIs) and measure engagement metrics (open rates, clicks, Web site visits, page views, polls, e-detail completions, orders of samples, direct mail response, etc.).

At a Glance: Multichannel Analytics & Measurement

Stage	Measurement Method	Benefit
Campaign Tactics Testing	Frozen control	Measure impact of overall marketing investment
	Random sampling	Minimize marketing \$ where results are more risky for learning
Metrics	Opens, clicks, sample requests, site visits, time spent, delivery %, etc.	Early warning of problems allow adjustment to later waves
	Measure cost per metric	Rethink strategy where “cost per” is too high
Reporting & Analysis	Compare targeted segments to control	Strongest way to measure the impact of the marketing effort
	ROI = Margin / Marketing Investment	Allows focus on most productive segments while justifying future campaigns

Step Five: Review and Evaluate

Build opportunities to review tested and implemented MCM strategies in the Brand Marketing Plan – to make changes, adjust marketing communications and deploy new channels – and keep measuring. Promote successes and refine where and when results far short of objectives. Leverage insight derived from campaigns to learn and drive continuously improved promotions.

Conclusion

To effectively implement multichannel marketing to HCPs requires leveraging resources, following best practices and developing effective, efficient MCM data marketing models. The organizations with the

most marketing knowledge will drive market share changes and have improved ROI on their marketing spends. These are the organizations that will lead the transition to successful multichannel marketing – meeting the needs of HCPs within and among all the channels in which they choose to communicate in their quest to provide better patient care.

Look for the other white papers in this series, which cover more closely such issues as data models, 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 in multichannel marketing.

To learn more about how Harte-Hanks can help you evolve your multichannel marketing and data solutions, contact:

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About The Agency Inside Harte-Hanks:

The Agency Inside Harte-Hanks is a full-service, multichannel relationship marketing agency specializing in direct and digital communications. With award-winning strategy, creative and implementation services, The Agency Inside helps marketers within targeted industries understand, identify, and engage prospects and customers in their channel of choice. Recognized and respected as a market leader for many decades, it is our mission to deploy world-class, insight-driven, multichannel relationship marketing programs that address each client's acquisition, cross-sell, retention and loyalty needs.

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