

Digital marketing: *the road to*



Digital marketing in the pharmaceutical & healthcare industry is reaching boiling point. After six or seven years of interest, it's going mainstream and instead of "Should we go digital?", pharma & healthcare companies are now asking "How do we do it successfully?". We think the next seven years, leading up to 2020, will be crucial in this endeavour.

Featuring the views and experiences of industry experts from inside and outside of pharma & healthcare, this series of four white papers from PharmiWeb Solutions looks at how pharma can make the right decisions about the technologies, devices and skills necessary to develop effective and measurable digital strategies. This will be the key to gaining competitive advantage – from now, to 2020, and beyond.

What does the road to 2020 look like for Pharma with digital?

Executive Summary

Being poised for durable success in pharma, will come down to certain key behaviours and the ability to identify opportunities early in the sector environment. In this white paper we look at key environmental features to consider, including how to ensure that technology is applied within the correct guidelines. We will also address the behaviours that will help drive success, such as the collaboration required with competitors and key stakeholders such as the NHS.

In this white paper:

- 1.** The role of digital in new pharma sales and marketing models
- 2.** Compliance will bring opportunities and challenges
- 3.** Collaboration: with competitors and key stakeholders
- 4.** Agility is often more important than being first
- 5.** The importance of 'listening' before engaging

This is the last in our series of white papers looking at how to develop effective and measurable digital strategies that achieve competitive advantage and ROI. We asked five industry experts for their views on the biggest trends in digital, the challenges and opportunities they foresee and their predictions on how the digital landscape will evolve.



The role of digital in new pharma sales and marketing models

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Pharma is moving in the direction of delivering healthcare outcomes, not drugs and providing services, not products. This shift in model demands a holistic approach to sales and marketing which companies will be using digital to help provide ”

Paul Hartigan, Chief Executive of PharmiWeb Solutions

“Digital technologies are enabling developments in the broader healthcare market like mobile health and telemedicine,” he continues. “Pharma can tap into developments like these to build the ‘packaged’ solutions, including diagnostics, information and compliance aids. They need to develop these to benefit patients and counteract unsustainable margins. Global brand managers must keep on top of these developments and how they incorporate this into their offering.” “The more complex relationships with third parties that are required to provide these new solutions can also be supported by digital”, according to Hartigan. “It requires a partnership model, and digital can provide a platform for collaboration.”

Digital will also enable companies to address the broader community of stakeholders. “Today it’s very much ‘pushing’ products to healthcare professionals,” he explains. “Digital marketing gives us a chance to have two-way conversations, and to have holistic relationships that involve the customer and patient. The benefits we will be seeing are a cost-effective, customer-centric model, and a complete end-to-end view of business, drug, area, and a better service to patients and doctors.”

Compliance will bring opportunities and challenges

Regulation will bring challenges to companies executing their digital strategy between now and 2020 with requirements to develop and utilize technologies appropriate within guidelines set down. They also promise significant opportunities if provided in an appropriate way within legislation.

Angus Evans, Senior Brand & Customer Manager, Merck, says companies should keep abreast of legislation, but balance this with boldness in innovation. “The big challenge is making sure we use technology appropriately within the guidelines,” he says. “The guidelines are what are going to shape the technology framework for digital marketing, and costs for the commission of the framework is going to be the next big cost for pharma.

“The compliance side of things is another big challenge, especially around multi-channels. Websites in Europe have to take into account the new Cookie Directive about the tracking of customer information, for example. You have to tread carefully. The rate of change in legislation is fast and we have to be more ready to adapt.”

According to Angus, the Quipp Agenda, quality and digital have a role to play in helping companies. “This will be everybody’s top priority and there are opportunities that fall out of that.” Digital marketing can help companies get the message right, show outcomes of treatments and construct and present compelling arguments to GPs and healthcare professionals.

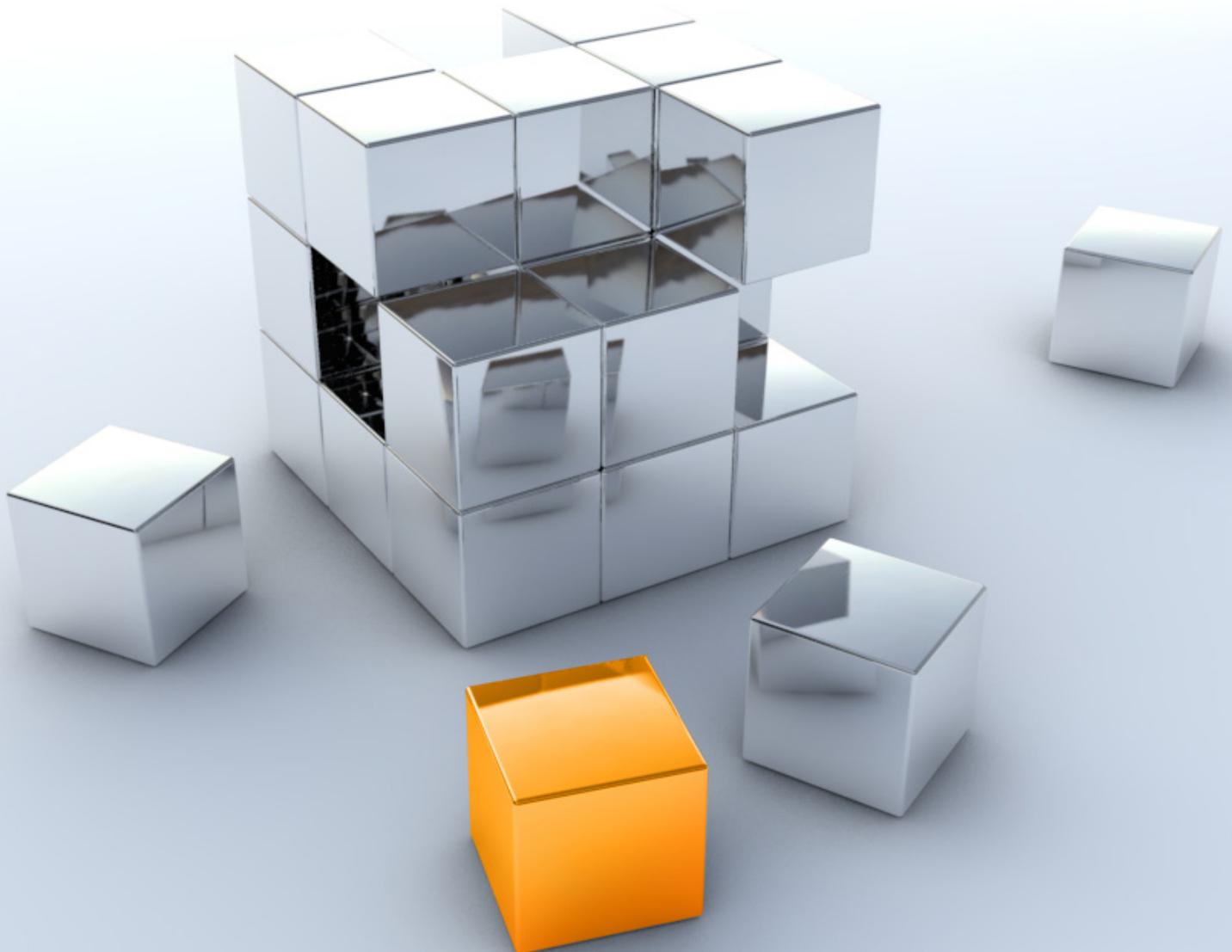
Pharma can also add value to doctors and nurses by using digital to help them meet CPD (Continuing Professional Development) requirements, for example with online learning.

Collaboration: with competitors and key stakeholders

“Supporting the patient is a better goal for pharma and the healthcare industry as a whole of using digital technologies effectively. If this goal is to be achieved by 2020, companies must break down competitive barriers and work together as an industry”, says *Carolyn Dyson, UK Marketing Director, Archimedes Pharma.*

“I don’t think the patient is the centre of many discussions and decisions about digital marketing today, so there’s a long way to go, but it is possible to do more in a collaborative style.” She continues to address the fact that it is possible to collaborate without jeopardising competitiveness, a therapy area is a therapy area, and nobody can gain a competitive advantage from digital marketing activities that simply help a patient understand their condition better so they can have a more fruitful conversation with healthcare professionals.

Carolyn says she is seeing signs of this happening already. “We’ve worked together with our four competitors in a particular area for over a year on a patient-centric project. It was really difficult to get off the ground because of the need to gain trust, and also with the turnover of people, but if you remain focused you can do it.”



Collaborate with NHS to help drive their digital adoption. The more connected they are the more our digital investment will reach full potential.

There is a major barrier currently preventing the NHS from adopting and realising the benefits of digital: its inherent ‘mistrust’ that technology will deliver what it promises and achieve return on what is usually a massive investment. If digital brand marketing is to reach its full potential by 2020 for all players in other sectors, including pharma, this barrier needs to be overcome, and *Carolyne Dyson* believes pharma has a key role to play.

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If it had better technology, the NHS could be more nimble – keeping up better with changes to patient services, for example. The NHS is on its knees in terms of technology; billions of pounds get spent without anything improving, and our customers have lost all faith in technology within their own environment. Maybe pharma can restore some of that faith, by showing in an ethical, non-promotional way how digital is achieving real outcomes for us, and helping the NHS make progress towards digital adoption by collaborating on joint strategic goals. ”

Carolyne Dyson, UK Marketing Director of Archimedes Pharma



Agility often more important than being first

The major pharma companies that are at the forefront of digital marketing are often considered to have 'stolen a march' on those companies following behind. However, there is ample opportunity for smaller companies to catch up, do it better and arrive at 2020 having successfully executed their digital strategy.

According to *Chris Wilkinson, National Sales Manager, Galderma UK*, those best placed to innovate and achieve competitive differentiation will be the smaller, more dynamic companies who can keep pace with technological advances/changes. **"The larger companies are already relying less on field-based promotion and more on digital marketing,"** he says. **"They have the best qualified marketers in the industry, access to the very latest things and an understanding of where the market is going. However, smaller companies can quickly adapt what they are doing to follow them if they see it's working, whereas the bigger organisations have six months of planning meetings before anything can be done."**

Starting with smaller, more considered steps rather than talking about the big picture is Chris' philosophy. **"The challenge is to keep up with the Joneses where appropriate,"** he says. **"Take the small steps that will get something off the ground, concentrate on getting some of the fundamentals right on that level, seeing success in them and going forward."**

Making good decisions about when and how to take a step in the midst of rapid change means selecting what is relevant from all the latest developments, Chris continues: "It has to be appropriate to your business and industry, and to customers. Some are happy to move with the times and others are far more traditional in their approach. You need to get the balance right between keeping up with other companies and appealing to your customer. We're not pioneers in digital technology – but we are pioneers in how we deal with our customers."



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A colleague received some direct mail with a really thin LCD screen which played a mock advertisement. That is the way it's going to go, we'll be able to send technology like LCD screens to GPs cheaply, showing them the mode of action of our products and the results. We're already looking at ways we can do that. The sky is the limit as to where it can go! ”

Chris Wilkinson, National Sales Manager of Galderma UK.

The importance of 'listening' before engaging

Twitter, Facebook, Pinterest and other social channels have a key part to play in reaching and engaging customers in brands and products, and will be integrated more and more into the marketing mix as a touchpoint for pharma. "It is nowhere near to achieving its potential yet", comments **James Winterman, Sales and Marketing Director, Astellas Pharma** "there are barriers to be overcome, including jumping in with both feet without doing homework on whether it's what customers want.

"Some people understand what Twitter is, for example, while some don't know what it looks like and some just aren't interested at all," James continues. "The spectrum is so broad and wide that I think here is a danger that people go onto Twitter and follow it for a few days and then come off it and aren't interested. So you need to research the market properly."

"There's also a challenge for companies around managing social media activity constructively, opening the door means you are open to criticism and negatives feedback, or worse.

"Control isn't the right word, but how do you make sure you're not close to or associated with inappropriate comments?" asks James.



Conclusion

The road to 2020 and the achievement of ROI on digital strategies for pharma will be paved with making the right decisions about which steps to take and when. We've highlighted some of the developments in pharma that will have the most impact in the medium-term. We've also suggested which actions today, will help build durable success into 2020, from striking a balance between agility and innovation to breaking down barriers to adoption of technology through collaborating and getting a much deeper understanding of what the customer and other stakeholders truly want.

As ever, though, making good decisions for the future in a highly dynamic environment, requires careful thought and being highly selective of where resource and energy is focussed.

Final Words

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Some vacant or fallow territories are achieving double digit uplift using mailings and remote detailing alone. Closed-loop marketing has been around for years, but has it really ever been used properly in the UK? It could be the death of the salesforce if it can't prove there is a demonstrable benefit ”

Angus Evans, *Senior Brand and Customer Manager, Merck*

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By 2020, pharma will finally have created the 'Informed Patient'. They will have the tools and compliance aids they need to manage their condition, and they will know what questions to ask. They'll also be getting the right drug at the right time, because doctors will have the facts and figures, and will know exactly what to prescribe to who. ”

Paul Hartigan, *Chief Executive, PharmiWeb*



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