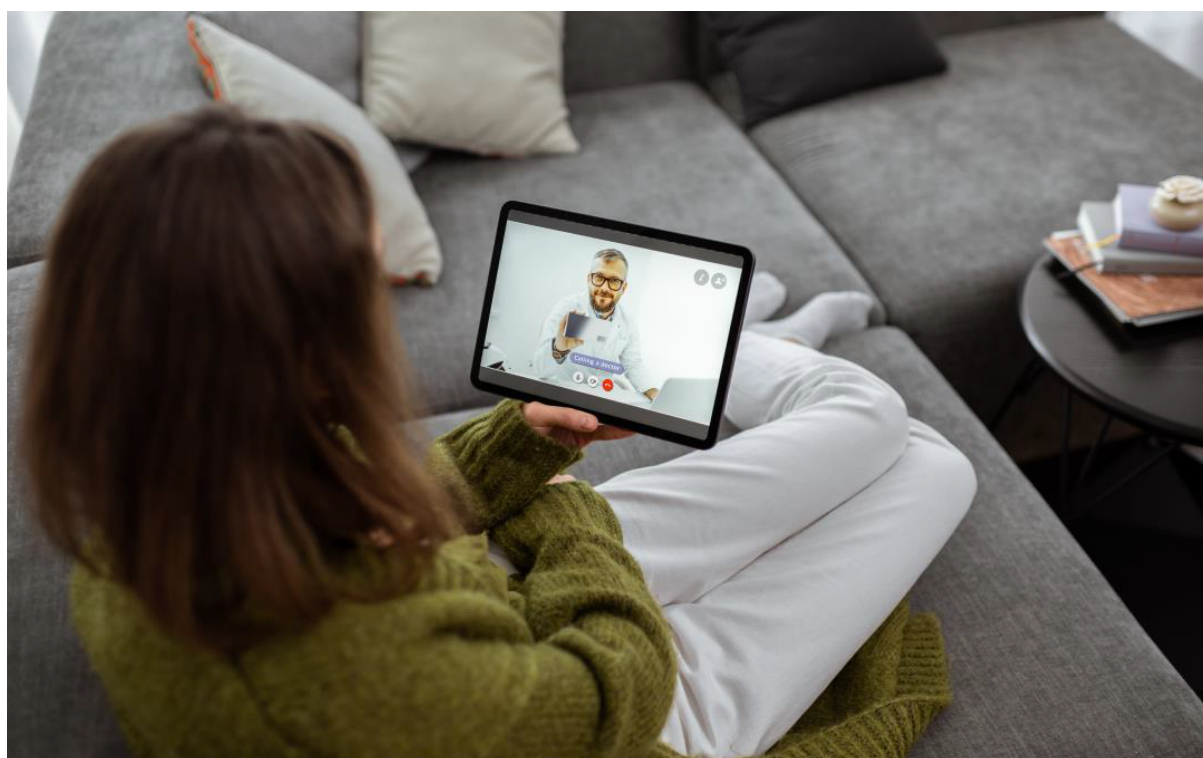


How Digital and Data Could be Key to Pharma Marketing in the New Normal



By Michael Kightley

One reason for the success of big Pharma is superior prowess in sales and marketing. Once R&D (Research & Development) has delivered a new patented innovation with global market potential, the marketing and sales activities promote rapid global adoption and shorten the time to peak sales within the patent life.

Big Pharma has long dominated the available sales and marketing channels. This position of strategic positional advantage has been stable, kept in place by a combination of conservative regulation and big Pharma's satisfaction with the status quo.

Current trends are threatening this stability. So, how might things change? In this blog I will explore how this instability could disrupt the status quo and create a new basis for competition. All players would be wise to take account of instability and the new possibilities that could open-up.

For example, Covid 19 has propelled more innovation in digital practices across healthcare in the last three months than in the previous three years. At the same time, Covid 19 has disrupted Pharma's promotion model. Polling of healthcare professionals suggests that there is every prospect that these practices and the disruption will persist. One possibility that opens-up is that digital strategies could become increasingly important.

Healthcare professionals say they need help with digital innovation and new digital practices post Covid. The need for digital re-skilling and learning across the healthcare sector is significant. The healthcare professions need help with funding, digital skills, and digital tools.

Pharma has ample skilled professionals with empathy for the caring professions and that are skilled in communicating new concepts and practices as well as in building relationships. Pharma could respond to these new needs and new opportunities by re-deploying its resources to help everyone transition to the new faster-moving, real-time digital world. Pharma resources could switch to communicating and helping prescribing health professionals via digital conversations on digital channels.

Regulators would need to play their part. They have long constrained the ways that Pharma firms communicate and build relationships with healthcare professionals. However, regulators are interested in promoting consumer and patient welfare, healthcare innovation, and competition. All of which could be improved by a move to using digital channels. Regulators are always open to discussion and negotiation. They have and will look favourably on new digital practices that help patients, healthcare practitioners and pharmaceutical companies if those practices are open and competitive.

Regulations differ by legal jurisdiction. For this reason, firms have long delegated responsibility for local relationships from the global to the local market level. Locally is where the digital conversations are handled. Local and regional is where discussions with regulators are conducted. If they choose to take the initiative, big Pharma could choose to orchestrate those local and regional regulatory discussions now.

New digital channels will be harder for big Pharma to dominate by any other means than superior marketing and relationship building competence. Digital channels will allow smaller players, with a compelling story for a niche audience to cut through and get their message across. They will obtain insights that they use both to shape their messaging and target unmet needs. While individually these incursions into the larger firms' market will be small, collectively they will add up.

Local market teams in big Pharma will be taking on their smaller local market competitors head to head on a newly-level playing field. Local marketing teams will engage their local medical professionals digitally on topics that are locally relevant. They will use local digital marketing applications that support digital conversations, information sharing and relationship building.

This scenario would be a competitive marketplace, but there is one sustainable advantage that big Pharma could create by using data and analytics. This is a global database that could be a rich source of insights into healthcare professionals' evolving priorities. Used for new insights this could be a long-term competitive advantage in customer understanding and segmentation.

To create this intelligence advantage, big Pharma firms could merge the local data obtained from local conversations captured by digital analytics applications with data from providers, payors, patient advocacy groups, web-based medical sites, third-party data brokers, channel partners and open data from government and inter-governmental sources. Once collected, structured, and mined for insights it could restore a source of strategic advantage from global scale and reach in marketing and sales to big Pharma. Technically these databases are not difficult to create using scalable cloud technologies such as Microsoft Azure and other cloud vendors in combination with enterprise-grade visual data analytics tools.



Digital Strategy as a Core Competence

Digital could become an important competence for all firms that wish to engage with healthcare professionals. Firms will keep competency high only with continuous improvement processes and continuous learning - ideally based on digital analytics. This is the way they will adapt to the new era of Covid resilient business practices. It could open big Pharma up locally to competition from digital-first niche competitors. While smaller businesses will not have the resources of the large pharmaceutical companies, digital is perfectly suited to niche businesses and local data and analysis is equally available to all players. Firms of whatever size can craft a digital strategy which is right for them, their healthcare system, and their patients.

Conclusion

It is likely that the recent disruptive changes mean that all players in the pharmaceutical and healthcare sector will need a new strategy for digital. Large firms have both the advantages and the challenges of scale, but small players can easily access the affordable services and the data and analytics they need to compete in niche markets. Digital strategies, widely adopted, could supply the impetus for innovation and productivity across the healthcare sector.

