Measuring multi-channel marketing: metrics that matter

“In the rush to use multi-channel marketing, don’t forget ROI, says Deborah Runge

Multi-channel marketing is becoming more established in the pharmaceutical industry, with the sector supplementing its traditional face-to-face sales and marketing contacts with a wide variety of digital communication channels, such as email, websites and social media.

The seemingly endless possibilities these new media create for engaging with healthcare professionals is what everyone gets excited about, and the creative, privacy and technical challenges are engrossing. Everyone seems to be rushing to implement multi-channel campaigns.

But something quite important often gets overlooked: are we actually getting a good Return on Investment (ROI) from multi-channel marketing?

I see this question regularly not being addressed by pharma companies and their communications agencies. I think there is a myth that pharma isn’t able to track behaviour at customer level, as they do in consumer goods industries. If you are only asking fundamental question about ROI once your campaign has been launched, it could be too late to recoup your investment if the campaigns or the entire initiative is not getting the results you expected.

Contrary to the myth, there is a great opportunity to maximise the impact of your multi-channel marketing.

The process needs to start with a clear strategy - decide on what you really want to achieve before you begin getting into details.

Building this strategic plan will probably involve your brand team and the communications agency working on it together. Only once this is in place should you move on to what tactics to use, and what channels you’re going to utilise.

This will stop your team making the common mistake of jumping in and deploying content across lots of channels without first figuring out what you should measure from the start.

Deciding your Key Performance Indicators

Multi-channel marketing means deciding on what mix of channels will have the biggest impact, and understanding how each of these routes is going to contribute to your brand promotion.

Senior management will want to see some evidence of how you have optimised investment within and across channels and maximised the promotional response. So that means you need understanding of what drives customer engagement and good responses in each channel or types of customer.

What does a good multichannel marketing campaign look like? That’s the golden question everybody wants the answer to. However there are still relatively few industry standard benchmarks for multi-channel marketing. There aren’t years and years of benchmarking data on, say, the average email open rates for oncologists in Germany following a rep visit. Nobody has that data yet, but you can and should be collecting that data, and use general population benchmarks for email open rates as a starting point to define what your target open rate for physicians should be. After all, physicians are “consumers” too.

Pharma needs to ask ROI questions before a campaign is launched – or face wasting time and resources on the wrong activities”
KPIs may be different by campaign, brand, or country.

It is very easy to access operational metrics from your different channels, as solutions like Google Analytics and WebTrends provide these for free for website visitor activity. These, and multi-channel software solutions often provide their own dashboard apps and reports to give you an overview – but these never really give you the full picture. You need to build your own KPIs, which will be specific to your brand strategy and campaign objectives.

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So for instance you might be using lots of different platforms across channels - Closed-loop marketing (CLM) on iPad, and GetResponse to centrally deploy emails, Google Analytics to monitor visitors to your website, and then tracking Facebook likes and Twitter re-tweets. These will generate operational metrics – how many iPad details were delivered, how many visitors came to your website, how many e-mails you sent, which links were clicked on the most, number of tweets, etc. . But, are you able to achieve your reach and frequency? How effectively is that being done? Do your customers like engaging with you in this way? What combination of content and channels has the highest impact on sales?

Operational metrics alone can’t stand in for strategic KPIs. We would recommend your KPIs to be six or seven metrics which are specific to your brand and campaign. Ideally this would be a KPI for each channel, each of these being a blend of operational metrics and your strategic goals.

<table>
<thead>
<tr>
<th>Channel</th>
<th>KPI</th>
<th>Metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Detailing</td>
<td>Digital Interaction</td>
<td>% of details done with tablet vs total calls</td>
</tr>
<tr>
<td></td>
<td></td>
<td>declared in CRM system</td>
</tr>
<tr>
<td>Sales Force</td>
<td>Blended Detailing</td>
<td>Ratio of e-details to total details per customer</td>
</tr>
<tr>
<td>Meetings &amp; Events</td>
<td>Attendance Insight</td>
<td>Ratio of customer attendees for a specific</td>
</tr>
<tr>
<td></td>
<td></td>
<td>segment or tier vs total event attendees</td>
</tr>
<tr>
<td>Social Media</td>
<td>Amplification</td>
<td>Volume x reach</td>
</tr>
<tr>
<td>Website</td>
<td>Channel Engagement</td>
<td>Composite of several metrics – visits, duration</td>
</tr>
<tr>
<td></td>
<td></td>
<td>of session, frequency of repeat visits, etc.</td>
</tr>
</tbody>
</table>

Figure 1: Example KPIs

It is important to pick the right kind of metric, and frame your question correctly. Metrics which simply ask the question – how many? - these are going to remain limited in terms of insight. That means you will need some metrics which ask the question ‘why?’ These are recommended and will lead to some clearer thinking and insights.

Also, it is important to note that a company which is an expert provider of healthcare market metrics will be able to put this all in context with customer prescribing behaviour data.

We can create different weightings for each metric to represent their contribution to the KPI. We then put that in a simple dashboard so you can visually see how your campaigns are performing in relation to what your brand team planned to achieve with customers.

Measuring your campaign’s effectiveness- A/B testing

We are often asked by clients who are getting poor results – is it the strategy that’s not working or is the content? You might think your content is good but nobody is engaging with it, but that is just a hunch.

The way to answer that question is through A/B testing. This is the internet equivalent of a controlled clinical trial, testing two versions of the same website or other content, and altering just one aspect of that channel to see what impact that has.

So for instance that might involve testing different content in the same channel, or the same content in different channels. You could also compare a social media site versus your own microsite. This gives you a chance to learn, form new hypotheses and query the data set that has been built up, and try to answer these questions.

1) Is the content driving engagement?
2) Is the channel engaging?
3) For which types of customers (based on their channel use, social media behaviour, and demographic profile)?
4) What’s the right mix of content and channels?

So for instance, you might have two parts of your campaign designed to build awareness of new clinical data you’ve recently published – a direct email invitation, and by pulling them through your website. Then you measure the success of these two routes. This will let you see who you are getting through to, and then tweak the content or the channels used to maximise the effectiveness of the campaign. The availability of new tools and technology and real time data means you can make those changes very quickly.

One word of warning: you will need to let the experiment run, because if you keep tweaking it you won’t know which change has made the difference.

Low costs of digital marketing takes the pressure off?

You may argue that the cost of a lot of digital marketing is so low compared to salesforce costs that the ROI question is far less urgent.

From an investment or fixed costs perspective, yes, it is true, the
overheads will be much lower. And from a scaleability cost, I’d also agree that adding 100 reps to your salesforce is a much bigger undertaking than increasing your digital marketing efforts.

But don’t imagine there aren’t major risks in getting it wrong. If a doctor doesn’t like the rep in a face-to-face call, he doesn’t see him anymore, and that’s an end to that. Then again if he doesn’t have a good experience with your company online, he may well decide to never engage with you or your brand at all. There are also more customer touch points, and a faster speed of communicating in multi-channel marketing, so these need to be given consideration.

Segmenting by Channel Behaviour

One emerging way to understand and segment clinicians is not to examine their behaviour according to area of medicine or prescribing patterns, but to segment them according to channel behaviour.

Channel behaviour is the individual profile of that physician – which channels do they prefer in what circumstances, and when are they most open to communication and engagement? Once you’ve mapped that for your target audience, you should produce a far more rewarding interaction for you and the customer.

Based on the maturing metrics coming out of digital and non-digital channels, we believe that channel behaviour is the best way to understand and target your customers most effectively. We are already looking at algorithms designed to predict future behaviour. Our understanding is going to grow, as is the amount of metrics available to define that behaviour.

Once again, though, there are no off-the-shelf metrics that do this work for you – you need to sit down and design the right measurement model, and interrogate it with KPI, ROI or optimum channel mix questions.

This planning will pay off when you have to justify your decisions, and report on your marketing performance. In the face of a lot of cost-cutting in marketing budgets in today’s industry, you need to have a very clear picture of your brand performance to direct continued investments in multi-channel marketing.

The Bottom Line

Do the planning and thinking up front. Involve your internal and external measurement experts at an early stage, before deploying any content or channels. Doing so will ensure you ask the following questions, and design a measurement model guaranteed to provide insights rather than numbers.

1) Am I tracking the right operational metrics? Don’t measure everything.

2) Have I measured engagement and defined the right KPIs?

3) Where do I invest – which customers, what content, which channels?

4) ROI – are my multi-channel efforts having an impact on sales?

About the author:
Deborah Runge is a Principal Consultant at IMS Health. She leads initiatives with global pharma organisations, working with marketing teams across different therapeutic areas liaising closely with IT, communications, medical and legal. She is currently focused on strategies, capabilities, and metrics for brand performance, multi-channel marketing, and social media. Her previous roles in insights and analytics have guided her thought leadership on ways to measure customer engagement.

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