

Putting marketing excellence into practice

Senior management in pharma needs to get serious about maximizing the potential of its assets - and driving excellence in marketing planning is a key part of that. But what is the best way to go about it?

Like most people, pharma brand managers naturally do what gets the best results in the time available. Keeping their skills up to date and honing them with training will help them understand what 'best' looks like and, if time permits, how to achieve it.

Unfortunately, too often achieving it requires devoting more time, which, in today's world, is something that brand teams generally do not have – so these marketing excellence skills are not always put into practice.

Often pharma companies' structure and culture means that there is no appetite to change, which is why so many brands are not reaching their full potential. Pharma has to find a way of putting marketing excellence into action – and that shift has to be implemented from the top.

The challenge is that achieving better marketing planning requires more effort. When resources are squeezed, you often see a race to the bottom, because bad planning is, in essence, easier than good planning, no matter what tools you have to help you. Doing it well is always going to be more of an effort.

So achieving marketing excellence requires senior management both to motivate the staff to want to do it better and to provide the tools to make it easier to achieve.

That motivation is unlikely to come if brand managers are going to get their bonus regardless of what they do, simply by 'sandbagging' their targets. As a result, senior managers at many companies don't really believe that excellent marketing will make much difference, almost believing that a product has a set potential and will achieve it, whatever marketing does.

Thus marketing then becomes a perceived cost, rather than being seen as what it should be – the driver ensuring that a company's assets really perform.

So why does senior management so often let this happen? Why do the people at the top not drive the kind of excellence in marketing planning which is vital to maximise those precious assets? Is it that they simply don't see the value in doing so? Is it that they don't think they can change the status quo? Or do they simply not understand what is going on?

"A significant number of senior managers don't really value marketing"

The answer to those questions is probably two-fold: on the one hand, a significant number of senior managers don't really value marketing. They see perhaps 10 per cent annual growth and believe that is as good as it can get, not realising that 15 per cent or 20 per cent growth could easily be achieved with better marketing.

If that sounds fanciful or incredible, let me assure you it is not – I have seen it myself many times.

The other big failing of senior managers is that they rarely ask to see the return on investment (ROI) of marketing strategies. They simply tell the marketers what number they have got to hit, and how much money they have to work with. There is little or no measurement of the correlation between what the marketers actually do and the end results and, without that measured ROI, what motivation can there be to change?

What is needed is a focus on the 'red thread' – the line which links what is invested in marketing and the

uplift that happens in a brand's performance.

When that focus is missing, it will inevitably also be missing from the marketers' thinking and, without it, no-one knows if their actions are making much difference.

There has to be a culture in which everyone knows that they have a contribution to make to that 'red thread', and how their input is going to be measured.

That doesn't mean that people are not allowed to fail because, as any entrepreneur will tell you, the occasional failure can be a vital learning process to drive future success; it is this entrepreneurial mind-set which is too often lacking both among senior managers and marketers.

The key is that plans and decisions are made based on the best evidence available. Inevitably there will be assumptions that couldn't be tested, and which may prove to be false, but decisions are based on a rational assessment of the information you do have.

Nowadays brand managers don't sit in a dark room on their own coming up with a plan; it is a multi-disciplinary task. So in order for colleagues from different departments to collaborate and contribute to that red thread thinking, there needs to be an organisation-wide enabling culture. Then the company is in a position to make life easier by embracing new cloud-based technologies to build plans together.

Of course it is more work to create a plan which is robustly thought through, and where the assumptions have been rigorously assessed, and knowledge gaps filled as well as possible. But there is a return on such effort, and once you have introduced that mind-set, you can start introducing tools to make life easier.

It is important that the mind-set and structure are changed before introducing these tools, otherwise you will end up with bad plans, made more easily – or the tools will demand too much and will be seen as making life difficult. Tools introduced before people accept the need for excellent planning are going to be misused.

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So, in the end, it all comes back to senior people taking responsibility for changing the mind-set around marketing, and putting the incentive structures and accountability structures around that to make it happen. Marketers should be rewarded for the difference they make – for their input into making that red thread a reality – not because the company as a whole has had a good year.

This means putting in place ways of making meaningful measurements of ROI for marketing plans. Ask what impact has the marketing investment actually made on changing behaviours? What impact has it had on changing the flow of business? What impact has it had on increased sales over and above what could reasonably be assumed to have happened anyway?

Ultimately, commercial effectiveness is about lifting the performance of assets and ensuring that they fulfil their potential 100 per cent. Everybody along that red thread has to contribute to that in a meaningful and measurable way.

But to do that they must have a culture and a structure where that is central to everything that happens – and that drive can only come from the very top.

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