



The Regional Marketing Roadmap

Turning Insights into Innovation

Regional marketing identifies specific opportunities for sales growth and market share that national marketing plans may not fully recognize. Understanding market variations and the key drivers behind these variations, brand marketers can enhance a marketing plan with regional strategy, plan development and deployment, leading to an increase in a brand's sales performance.

BY SCOTT WEINTRAUB

Regional marketing is a concept whose time has come. As companies in the pharmaceutical, biotech and medical device (global change) markets begin to embrace the idea, the question becomes: "How do we make regional marketing a reality?"

First, let's take a closer look at regional marketing. Regional marketing is a targeted allocation of resources to markets / districts for the greatest return on investment (ROI). It is a strategy that relies on understanding regional variability and how to harness it in order to maximize results. Marketers should deploy regional marketing when variations exist among payer, provider, prescriber, population, product, or place.

Regional marketing consists of grouping similar markets based on common drivers and developing marketing strategies utilizing *key* market drivers. With regional marketing, it is local differences that help determine how to efficiently direct avail-

able resources. It is important to have a rapid deployment team ready to take advantage of local market changes as they happen. The overall objective is to drive product performance and improve ROI through efficient resource deployment and allocation. Other benefits of regional marketing include reduced program waste and improved productivity for the marketing and sales teams.

Establishing your plan of action

Regional marketing consists of three disciplines: regional strategy, regional plan development and regional deployment.

Regional Strategy – In this initial step, assess the many factors influencing brand performance in each market and evaluate the company's capabilities for handling regional marketing. Next, develop a vision for how regional marketing innovation can help your brand. Then work to gain

sales and marketing leadership alignment and collaborate with regional counterparts. Most importantly, conduct an in-depth driver analysis to understand market-level differences for the brand; identify the drivers and group the markets based on drivers in order to capitalize on opportunities specific to those grouped markets.

Regional Plan Development – Once the strategy is in place, develop market plans that make the most of market groups. Customize and prioritize resources based on the market opportunities present. Identify available resources and build additional marketing tools as necessary to address regional differences. Ultimately, develop an integrated tactical plan and document how to measure success.

Regional Deployment – Finally, execute the marketing plan with precision and deploy tactics rapidly. Build a solid communication plan and platform for sharing best practices. Measure and analyze results. Regroup regularly with regional counterparts and regional marketing partners to continually refine the plan.

Marketers should deploy regional marketing when variations exist among payer, provider, prescriber, population, product, or place.

If done properly, enhancing a marketing plan with regional strategy, plan development, and deployment can significantly enhance a brand's sales performance. A regional approach identifies specific opportunities for regional sales growth and / or market share increases that national marketing plans may not fully recognize or prioritize if plans are made based on national averages only.

To develop a plan, marketers must first understand market variations and the key drivers behind these variations. Even though formulary continues to be a key predictor of market share in many categories and geographies, other market drivers can have a significant impact on brand performance at the market level. The key drivers – or 6P's – of regional performance are:

Payer – dynamics of the entities financially responsible for healthcare and Rx (e.g., government, employer, cash)

Provider – dynamics of the entities administering the healthcare and Rx processes and facilities (e.g., health plans, integrated delivery systems, PBMs, hospitals, clinics)

Population – patient dynamics influencing healthcare choices and Rx use (e.g., age, gender, income, education, ethnicity, disease prevalence)

Prescriber – dynamics of the parties advising patients on healthcare and Rx (e.g., specialty, affiliations, MDs/1,000 patients)

Product – product's market-level performance relative to the nation and competition (e.g., sales dollars, NRx, share and volume, compliance)

Place – additional dynamics for the market providing context for the other drivers (e.g., field force, political environment, legislation)

Manage the 6P's through analysis

With the many regional factors impacting ROI, and the variations that can occur by market, region and district, it can be easy to become overwhelmed by the data and revert back to the safety zone of a one-size-fits-all marketing strategy. The companies that succeed today are those that find ways to leverage all of this data in a manageable way. Furthermore, sales leadership should be focused on the unique market drivers within their region – with the right strategies and tactics. A detailed market driver analysis serves to uncover the key district-level drivers that correlate to brand performance.

One key benefit of market driver analysis is that it groups districts based on performance drivers, rather than geographic proximity. For example, given the thousands of miles of distance between Pittsburgh and Hawaii, you typically do not think of them as similar markets. However, in one specific analysis they were grouped together by the various similar factors driving market performance for a particular brand. In this case, they share common market factors of very high generic penetration combined with low favorable formulary status. Therefore, they will likely need the same tools and resources to succeed.

Case in point: leverage driver analysis

A pharmaceutical company asked, "How can I really leverage the district-level driver analysis we did together?" The solution included brand team immersion, strategic allocation of resources and sales team immersion.

The brand team initially spent several sessions discussing the results and the implications of the driver analysis findings. This allowed them to develop a plan, including resource allocation and sales team communications, that was strategic and data based. Going forward, all strategies were discussed in relation to the different driver groupings.

The next step after the brand team immersion was to actually allocate resources (samples, speaker programs, lunch dollars, vouchers, etc.) based on the driver analysis. Some districts received twice the original plan and other districts were allocated none of a particular resource.

The regional marketing partner then traveled to each region and met with the company's field leadership (from the top to the district level) and had formalized discussion with each group. This helped drive home the lessons, implications and the impact on each region. The sales teams were then able to

develop their own implementation plans based on the data. The regional marketing partner developed a data-based process to evaluate the sales teams' ideas. As a result, the brand exceeded revenue goals by three percent.

Case in point: amplify national brand strategy

In another example, a pharmaceutical company created a regional marketing roadmap to amplify their national brand strategy and ensure every sales rep and product manager were aligned.

In the first step, each field operating unit completed a needs assessment based on both quantitative and qualitative research. Instead of jumping from needs to local solutions, the team stepped back, reviewed the brand strategies and decided which of the local needs were aligned to the brand strategy. The needs that were totally unique (i.e., would have taken the local teams off strategy) were de-prioritized and the team focused only on problems that could be solved with on-strategy solutions.

The needs that were deemed on-strategy were evaluated versus the needs assessment of other operating units and solutions were developed that were templates, yet still customizable. This minimized legal / regulatory review time and ensured everything was aligned with the brand strategy as the template was 100 percent on strategy. There was enough flexibility in the template to allow local customization.

Like all field personnel, the field team at the pharmaceutical company was overwhelmed with internal "strategic" communications and thus deleted most without even reading. Too much communication can be as bad as too little. The team developed a way to have standard, yet customizable, communications so that 80 percent of what people received in the West matched what people received in the East. The other 20 percent consisted of a local message from the local vice president. Survey data showed key message recall had improved 14 percent!

Turning insights into innovation

Brand marketers today must take on the challenge of assessing regional (and even local) customer needs and developing integrated plans to meet those needs. Going a step further, with the support of their regional counterparts as well as a strong regional marketing partner, brand marketers can develop an integrated plan to bring regional marketing innovation to the market in an effective and scalable way. **DTC**

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