

# Creating Customer Engagement and Action Through Experiential Marketing



Delivering impactful experiences  
for patients, caregivers and HCPs

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## Experiential marketing: Creating excellent customer experiences



From left to right: Marc Schwartz, Consultant and Multichannel Marketing Executive, James Avallone, Director, Physician Research, Manhattan Research, Milton Pedraza, CEO, Luxury Institute, David Zaritsky, President, PulseCX, and Kurt Mueller, Chief Innovation Officer, PulseCX, lead a discussion among industry executives to share experiences and ideas for transforming life-science organizations' focus on feature/benefit selling to customer experiential (CX) marketing and sales.

Every morning as I walk to the door and reach for the handle, I experience a similar feeling — a touch of anticipation, a little bit of excitement, a sensation of warmth — the feeling of being “home.” I pull open the door, hold it back for someone to exit, and nod slightly as acknowledgment to the experience we both share. As I walk up to the counter, I smell the familiar aroma, hear the soft jazz, and can’t help but smile at the people around me enjoying the morning and each other’s company, even if only for a few brief minutes before they’re off to work. I’m greeted by a friendly employee who recognizes me and asks if I’d like “the same.” I say “yes” and bask in the glow of recognition and acknowledgment as a “known” member of this community. I’m handed my customized request, emblazoned with my name on it, and am beckoned by the well-appointed, living room-like seating to relax for a few minutes and savor the experience.

This experience that David Zaritsky, President of PulseCX, describes encapsulates the concept of experiential marketing.

Starbucks was very purposeful in creating this collection of feelings and perceptions that form the now iconic Starbucks experience. Each element is designed to add value and create an immersive experience that goes well beyond a cup of coffee so, we have to ask ourselves, if pharma wants to go “beyond the pill,” why are they doing it any differently?

As life-sciences and pharmaceutical companies continue to

redefine their business models and create customer-centric centers of excellence that encompass the entire customer journey, from drug development to commercialization, it is essential they also create experiences that connect their products and services to an increasingly sophisticated customer base characterized by a series of intertwined interactions among the different stakeholders — patients, caregivers, doctors, nurses, and payers.

Advanced technology has put a tremendous level of information in their hands, and connects them with others who can share their experiences from a more credible perspective. Customers are no longer satisfied with brand messages that explain “what” we offer (product features, benefits, and our “reasons to believe”), they want to relate to “why” we do what we do, i.e., the type of experience we can offer. This market transformation requires an equal transformation in marketing and sales to provide real value to customers and to differentiate themselves from their competitors — one that addresses the complex multi-stakeholder matrix, the need to deliver valuable experiences to patients and HCPs, an increasing burden of chronic diseases, a growing demand to improve health outcomes, and pressure to enhance business results.

As a result, traditional feature/benefit sales messages don’t have the impact they once did and a transformation is required to create positive customer experiences that will produce better health outcomes and greater business results. These interwoven demands are having significant implications on the overall industry, and companies are searching for ways to change.

As part of a one-day summit, PulseCX convened industry thought leaders to lead a discussion about the exploration of intricacies in transforming the industry’s traditional approach

to sales and marketing to one that creates excellent customer experiences — patient and HCP — for the basis of this article.

### Critical components for successful experiential marketing

The best customer experience or experiential marketing/sales campaigns begin with compelling storytelling, stories that focus on meeting customers' emotional and functional needs throughout their journeys and delivering value beyond the pill. Each customer is a "character" in the story, based on his or her own persona, exhibiting motivations, goals, behaviors, challenges, likes, dislikes, objections, and interests that drive their decisions. Defining customers using personas allows you to shift your thinking from a general "target audience" approach, to a more actionable definition of "individuals." Personas take you one step closer to a customer experience and allow you to develop a personalized experience that will change behavior and drive customer loyalty.

To design and deliver great customer experiences, brand teams must first know who their customers are, what they're trying to achieve (with their products or services), what they're going through to achieve it, and who they're involved with along the way. It's important for brand teams to understand what their customers are thinking, feeling, and doing during the "key moments of impact" in their journey — where decisions are being made, what language gaps exist between patients and their doctors, where the brand and its competitors' current programs are in relation to these key moments, where they are making an impact, and where there are gaps.

Only then can brand teams create compelling stories about their products and services that reach and engage customers at critical points in their journeys. Key considerations for experiential marketing and storytelling include:

- Aligning the brand strategy with the creative platform while leveraging direct marketing principles and best practices for maximum impact;
- Using a segmentation strategy that considers product lifecycle, disease state behaviors, and motivational attributes;
- Employing different message delivery methods and offers to motivate segment-specific behavioral changes; and
- Delivering messages through an integrated channel mix

that considers channel preferences for both initiating and responding to communications.

Experiential marketing provides opportunities to establish continuous engagement with customers throughout their journeys. By deepening their insights into customer needs through continuous customer re-engagement, brand teams can use these insights to guide future marketing strategies, drive brand loyalty, and continually improve ROI.

### Engagement begins with customer experiences

Experiential marketing is about connecting with customers through engaging experiences that are: perceived as credible, delivered at key moments of impact, consistent with the customer's needs/wants at that time, and reinforced through multiple touch points and other "characters" in the story.

For experiential marketing to be successful it must have three critical components: seamless integration into the patient journey; an exponential increase in value at every stage in the patient journey; and the ability to enable and enhance the patient/physician dialogue.

Because HCPs, patients, and caregivers are seeking information customized to their needs and preferences, life-sciences companies need to integrate and align professional and consumer marketing and sales strategies to create experiences that meet their customers' functional and emotional needs.

During the recent PulseCX summit, in-depth discussions focused on what brand teams can do internally to deliver the ultimate customer experience and maximize benefits to patients and HCPs. The thought leaders identified four areas integral to successful experiential marketing:

1. Building cross-functional teams that are focused on delivering excellent customer experiences.
2. Gathering and leveraging data to provide insights into what HCPs and patients want/need.
3. Creating integrated marketing plans to deliver excellent experiences across all channels.
4. Execute campaigns and metrics that replace the traditional feature/benefit model with a focus on customer experience marketing.

Please read on to learn more about experiential marketing and how to achieve excellent customer experiences in the life-sciences industry.

## Great customer experiences start with great customer service

Successful businesses are defined by their ability to be master builders of long-term customer relationships, which requires companies to focus on the customer experience.

Alex Rawson, Ewan Duncan, and Conor Jones of McKinsey define this as: "your customer's end-to-end journey with you, not just the key touchpoints or critical moments when customers interact with your organization. Customer experience is the cumulative impact of multiple touchpoints over time, which result in a real relationship feeling, or lack of it."

According to Milton Pedraza, CEO, Luxury Institute, brands such as The Ritz-Carlton, The Four Seasons, and Starbucks have successfully embraced the customer experience and as a result have earned loyalty and built long-term relationships with customers. Luxury brands such as these were the first to adopt experiential marketing in their selling practices.

Experiential marketing applies to all marketing initiatives, but has particular applicability in the face-to-face selling that



is perfectly suited to life-sciences companies, as companies that move away from feature/benefit selling to customer experience marketing (that communicates the “why” we do what we do) will better convey the value of their products to patients and healthcare providers.

Key lessons from luxury brands show that successful customer experiences come down to out-performing and out-behaving the competition. According to research conducted by the Luxury Institute, loyal customers want expertise, trustworthiness, genuineness, and generosity when interacting with companies in selling situations.

Customers expect companies and their employees to be knowledgeable about their industry and products.

Companies that are honest and treat customers and vendors with respect tend to have loyal customers because customers like to interact with companies that are authentic and reflect their own values. Customer-centric companies demonstrate generosity by helping customers solve problems, identify knowledge gaps, improve results, and celebrate successes.

Pedraza says successful customer experiences are built by a company’s employees engaging in several critical behaviors, including:

**Have humility:** Jim Collins in *Built to Last* shared that we all fail; we all must be teachable and humble, and strive for more in order to impact others.

**Focus on the behaviors that drive relationships:** The small things can have the greatest impact.

**Measure input metrics and not just output metrics:** Encourage employees to be creative in solving customer problems as long as solutions are ethical, legal, and comply with regulations.

**Get a coach, be a coach:** Personal development is critical. Eric Schmidt, CEO of Google, says everyone needs a coach; we need someone who can share how others see you.

**Build a high-performance system:** Utilize technology to connect all parts of the company — marketing, e-commerce, sales, legal, CRM, etc. — to work in tandem.

**Be a superconnector:** Be the hub and share your connections within your network. Employees should think about how they can add value to people and connect them to others who can also provide value.

**Ask for feedback:** Request customer feedback on company interactions. Seek to understand what will make a big difference for your customers. Asking for feedback demonstrates a company’s willingness to learn and improve.

## Building a culture to forge great customer experiences

When building a culture focused on customer experiences, Pedraza offers these six key recommendations:



**Milton Pedraza, CEO**  
**Luxury Institute**

“Successful businesses are defined by their ability to be master builders of long-term customer relationships, and doing so requires companies to focus on delivering exceptional customer experiences.”

**Built for you by you**—Engage employees who are good at building customer relationships to design the ideals/standards.

**Education is empowerment**—Inspire employees to engage in customer-relationship building activities that are creative and aligned with corporate guidelines.

**Engage in peer-to-peer education**—Pair employees up so they can mentor others in areas that are strengths for them individually.

**Create rituals**—Discuss performance on a regular basis so employees know how they are performing and can make corrections quickly.

**Align compensation to behaviors, not just outcomes**—Results will come if employees are exhibiting the right behaviors.

**Teach managers to be coaches**—Managers who are coaches inspire others to do great things.

Companies that consistently build great customer experiences build cultures and processes that require employees to understand customer needs and wants, develop products and services that meet those needs, and contribute to on-going planning to ensure customer needs are met.

## Data lead to meaningful insights

Now, more than at any other time in history, technology solutions are not only providing huge amounts of data points but the analytics to understand what the data mean. In addition, more medical and scientific information is more accessible and providing limitless opportunities for customers to interact and learn. In the old days, marketing focused on neatly sequenced messages and selling products based on features and benefits. Today's environment requires creating experiences for customers that meet their specific needs at the right time.

Creating great customer experiences requires products and services that meet the needs and desires of specific segments of customers. Life-sciences companies must understand the products and services customers want, what information customers need, how customers act, how they share information with each other, and what influences are shaping their perceptions and actions. Companies that possess these insights are able to connect and engage with customers and motivate them to act.

### Insights on physician preferences

As companies continue to refine their approach to addressing patient needs across the continuum, they are adjusting how they reach physicians and the information they are providing. Manhattan Research, which annually conducts an in-depth online study among U.S. physicians who use digital channels for pharma resources and connecting with sales representatives, found that pharmaceutical sales representatives still play a critical role in educating physicians about products and medical information. This may be surprising, given the recent pull back in salesforce numbers, but the interaction goes beyond the traditional face-to-face rep/doc meeting. In the last six months, James Avallone, director, physician research, at Manhattan Research, says 71% of physicians have interacted with a sales representative through a mixture of in-person meetings, e-mail, and telephone dialogues.



**James Avallone, Director, Physician Research**  
**Manhattan Research**

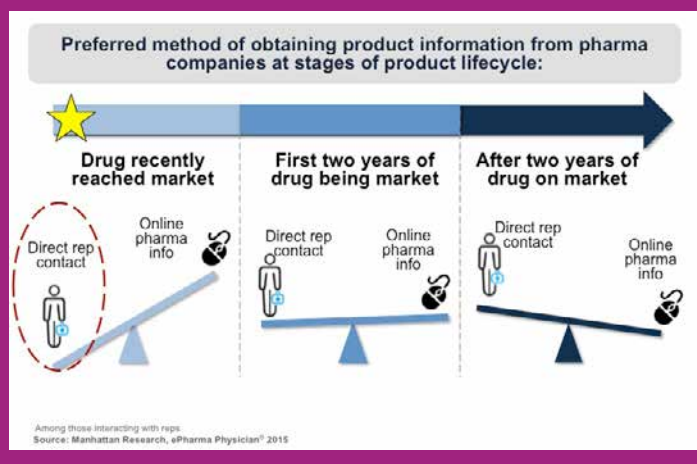
"The life-sciences industry is improving its ability to personalize face-to-face interactions with physicians to focus on the information and services individual physicians are interested in."

Face-to-face interactions with sales representatives continue to play a critical role in educating physicians during a product launch. After a product has been on the market for more than one year, physicians have a decreased need for obtaining product information through face-to-face interactions, and are more comfortable obtaining information on their own through online resources.

In sales interactions with pharma sales representatives, 70% use printed materials and 72% use tablets to share information with physicians. Among U.S. physicians, 71% prefer sales interactions that use both printed materials and tablets.

Most face-to-face sales interactions still focus on providing information related to clinical trial results, comparative product information, cost and outcomes information, animations on drug mechanism of action and disease state/condition, journal articles, and patient education and support information. However, Avallone says these areas tend to be the information that physicians are comfortable obtaining on their own, and sales representatives could build better customer relationships with physicians if they focus their discussions during face-to-face interactions by using tablets for:

### Physician preferences for obtaining product information varies by stage in product lifecycle





- Conducting live video communications with key opinion leaders or medical science liaisons;
- Introducing a pre-recorded video with a key opinion leader, watching one minute of the video and providing a link to the content for viewing later;
- Providing patient support services;
- Using quizzes to test physician knowledge on relevant topics;

- Outlining product cost and outcome information; and
- Introducing downloadable and relevant disease apps.

Ultimately, physicians are seeking information on value-added services rather than product information. In face-to-face interactions with physicians, sales representatives should personalize the interactions to focus on the value-add services individual physicians are interested in and to use the tablet to show information that supports these discussions.

## Creating customer experiences through multi-channel marketing

For years, the life-sciences industry has focused on developing blockbuster products that meet the needs of many patients and have used mass marketing and field-based sales representatives to educate HCPs on the features and benefits of their products.

Today, the status quo no longer works as customers' needs are changing significantly. Customers have greater time constraints and are consulting multiple sources for health information. These shifts necessitate that companies communicate with customers through multiple channels and integrate their multi-channel approach to create the best customers experience.

Marc Schwartz, consultant and multichannel marketing executive, has experience in how multi-channel marketing (MCM) and integrated communications can reach and influence customers to drive engagement and action. The goal of MCM is to deliver a customer-centric experience that maximizes health outcomes and business impact. Not only can an MCM strategy support field-based sales representatives before and after sales calls, it can extend a company's presence into new channels and customer segments.

The idea of using MCM to deliver outstanding customer experiences is an important aspect and opportunity for the life-sciences industry. Schwartz says a successful MCM program requires five key critical success factors, including:

1. Management support
2. A focus on customer needs
3. Strategic approach
4. Channel integration
5. Continuous learning

**Management support:** For MCM to be successful, the entire company must embrace and adopt the approach. Fully leveraging MCM requires cultural shifts to adopt the behaviors that support great customer experiences. When senior management supports MCM, it is easier for team members to adopt MCM attitudes and behaviors, and adapt their processes as needed.

**Focus on customer needs:** The customer experience is at the heart of an MCM strategy. Companies need to start with understanding the customer journey, customer needs, and customer desires that connect, engage, and motivate them to act. It's also important that companies engage their field-based



**Marc Schwartz,**  
Consultant and Multichannel Marketing Executive

"The goal of MCM is to deliver a customer-centric experience that maximizes health outcomes and business impact. Multi-channel marketing (MCM) integrates all communications and augments sales efforts."

salesforces to help map out the HCP customer journey, as they have invaluable insights into this important target audience.

**Strategic approach:** The starting point in building a successful MCM campaign is to clearly state the primary and secondary objectives of engaging in MCM. Primary objectives might be to have a better and more authentic/relevant/genuine

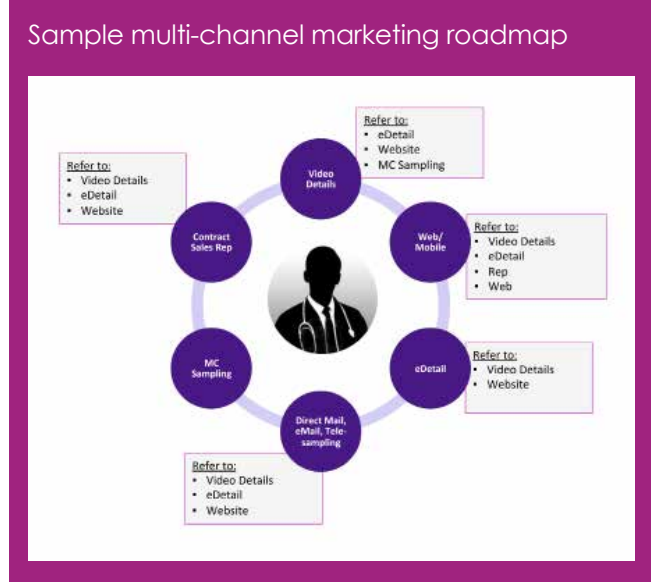
relationship with key customer groups. Secondary objectives might be increasing revenue and decreasing costs.

In developing the strategic approach, it's also important to reflect on the customer journey and identify hurdles that interfere with great customer experiences. These hurdles can then become opportunities for the company to provide a solution that will improve the customer experience.

**Channel integration:** MCM requires collaboration with all teams for planning and implementing campaigns. Key functions include:

- Field-based sales representatives, as they are closest to customers
- Market research team members, to help develop target segments based on qualitative and quantitative data
- Insights and analytics team members, as they collect and analyze information on key performance indicators
- IT as these team members are critical to integrate communication channels and collect key insights from customer interactions (these insights can determine future communications and support a personalized customer experience).

**Continuous learning:** Companies will want to engage in cycles of testing, measuring, and optimizing to figure out the mix of messages and initiatives that create the best customer experiences. The most impactful initiatives will depend on the life stage of a product. For new products in areas with complicated medical or scientific information to share, videos



depicting the mechanism of action or a key opinion leader may be an important tactic to consider. For mature products, e-mails or direct mail may be the best choice.

The technology that supports MCM allows for quick corrections and provides the ability to test initiatives and optimize them with ease. MCM allows companies to reach customers with the right information, in the customer's preferred channel, and at the right time.

## Creating excellent customer experiences: A real-world example

Recently, PulseCX worked with a client to transform its product-centric promotional and selling strategy for the company's infant nutrition products to one that focuses on the customer experience to accelerate its business impact across the globe.

The agency engaged in a five-step process to plan and implement the transformation.

### Step 1: Set goals and understand the target audience:

The first step focused on engaging leaders across the enterprise to discuss the challenges and goals for transforming their sales and marketing approach. Additionally, senior leadership team support was elicited to engage them in the transformation and communicate its importance to the organization. Simultaneously, PulseCX engaged in research to understand the needs, desires, and challenges of the target audience(s), and define the customer journey and key moments of impact.

### Step 2: Assess the organization's capabilities:

PulseCX performed in an in-depth assessment of how the organization was currently selling its products. The agency looked for inconsistencies in how marketing and sales activities were taking place around the globe. These inconsistencies formed the compelling reasons to believe that a change was needed.

**Step 3: Design transformation initiatives:** In the design phase, PulseCX looked to engage with customers in meaningful ways. A key consideration was the role the sales representatives could play in a more customer-centric model.

The agency built a Customer Experience Roadmap to clearly define the changing needs, goals, interactions, and drivers at

### Sample customer experience roadmap

	Mild Feeding Issue	Moderate Feeding Issue	Weaning
<b>PATIENT</b> • Questioning • Concerned	• Unaware • Seeking direction	• "What's wrong?" • Seeking answers • Support network	• Normalcy • Next steps • Support network
<b>HCP</b> • Solution oriented • Educator	• Management • Guidance • Coach	• Follow-up • Reassurance • Manage emotions	• Reinforcement • Supportive



specific stages along the journey. Understanding these changes and drivers guided the development of customer experiences that supported the customer’s journey and goals.

A final critical component in the design phase was to develop a Brand Map that outlined the brand objectives, brand strategy, communication objectives, issues, and strategic imperatives. The Brand Map is a critical internal document that clearly defines the customer experience strategy and ensures all initiatives and channels are aligned.

**Step 4: Execute:** Once the high-level transformation initiatives were approved, the next step was the implementation phase. PulseCX designed and produced new sales materials, forged new partnerships to deliver content, and trained the organization on the new processes and materials.

**Step 5: Optimize and sustain changes:** As the campaign was implemented, PulseCX gathered data and analyzed the information for insights into how the campaign and its components were performing. This is a continuous improvement approach that drives campaign optimization and further enhances the customer experience.

### The time for change is now

Our customers are evolving, and we must evolve with them. If we want to produce better health outcomes and greater business results, we must change our focus from selling features/benefits to creating positive customer experiences (CX). Customers don’t want to be “sold” to; they want to have a positive experience and engage in ways that provide them with the tools and information they need when they need it. Life-science companies already have much of what they need to create these positive customer experiences; they just need to change their mindset, approach, and metrics for success. For example, rather than GRPs, numbers of details, or volume of click-throughs, companies can focus their success metrics on the ability to meet customer needs, create positive experiences, and generate brand loyalty and word-of-mouth advocacy.

To design and deliver great customer experiences, brand teams must first know who their customers are, what they’re trying to achieve (with their products or services), what they’re going through to achieve it, and who they’re involved with along the way.

It’s important for brand teams to understand what their customers are thinking, feeling, and doing. Start by truly understanding the customer journey and the motivations, goals, behaviors, challenges, likes, dislikes, objections, and interests that drive decisions at each stage. Identify the “key moments of impact” in the journey — where decisions are being made. Determine the language gaps that exist between patients and their doctors, and where brands and their competitors’ current programs are in relation to these key moments (i.e., where they are making an impact, and where there are gaps).



**David Zaritsky, President and Kurt Mueller, Chief Innovation Officer**  
**PulseCX**

“The best customer experience campaigns begin with compelling storytelling, a focus on meeting customers’ emotional and functional needs, and delivering value beyond the pill.”

Establish customers as “characters” in each story by defining their personas and developing personalized customer experiences that will change behavior and drive customer loyalty.

Create and communicate compelling stories that focus on meeting customers’ emotional and functional needs throughout their journeys and deliver value beyond the pill.

Customer experience (CX) marketing can meet many of the challenges faced by healthcare marketers today, including enhancing patient health outcomes, delivering value to HCPs, and generating greater business effectiveness and results.

But success will only be achieved when our thinking evolves at the same pace as our customers. ○



PulseCX configures customer experience solutions to your unique situation. To initiate a Customer Experience Audit (CXA) and find out how experiential marketing will benefit your brand, contact David Zaritsky, President, PulseCX, at dzaritsky@PulseCX.com or 215-699-9200.