Building Global Multi-channel Marketing Capabilities:
Typical Obstacles and Key Success Factors

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For biopharma companies, multi-channel or omni-channel marketing (MCM) has become a hot topic – fueled by the high cost of personal promotion, increasing restrictions on rep access, and a proliferation of digital channels physicians can use to learn about therapies. Instead of relying on sales reps alone, most pharma companies are now engaging potential prescribers through emails, remote detailing, webinars, e-congresses, and medical or promotional websites.

Building global MCM capabilities that can be leveraged across all markets promises significant economies of scale. Yet the ability to make your solution scalable on a global level really depends on your ability to leverage common platforms and processes. At the same time, building effective and scalable MCM capabilities locally requires substantial investments that only large countries can afford.

So what are the local differences that need be considered and the challenges of deploying MCM globally, and how can biopharma companies set themselves up for success?

Geography matters

Most pharmaceutical companies differentiate between mature and emerging markets. And while the labels are simplistic, they help to identify the buckets of needs or the problems to solve. Take Europe as an example: for the most part, Europe is a mature market, with established volumes and sales forces. In mature markets, the key is to integrate digital channels into a traditional sales model. Contrast that to emerging markets, that typically grow faster and rely heavily on generics, which as a result rely more on remote detailing - typically starting with a call center trying to reach customers that the salesforce cannot reach.

Where you are headquartered will also shape your perspective with regards to availability and use of technology, privacy regulations, how you operate in the field and how you interact digitally with the field. The maturity of digital is very different in each market, driven by local needs. One size does not fit all.

Obstacles to Building Global MCM Capabilities

When it comes to establishing a global MCM capability that considers the difference in local needs, biopharma companies face some or all of the following challenges

Key Obstacles:
- Existing local MCM Investments
- CRM Complexity
- Regulatory Requirements
- Organizational Siloes
- Operational Governance
- Stakeholder Turnover

1. **Existing local MCM investments**: In most large pharma companies, individual countries have already made substantial investments in building local capabilities. Working with those is sometimes difficult - not only do you have to negotiate a change to or replacement of the local program, but – if the local program has been successful – you also have to overcome the mentality of "we got this already, we don't need your help". To embrace the global program, you will be expected to deliver an upgrade to the current local capability, which raises the bar for what a minimum viable product looks like across the board.

2. **CRM complexity**: If you operate in 50 markets across the world and each market has a different CRM system (regardless of whether it is different vendors or local variations of the same system), integrating will consume enormous time and money. You have to decide upfront whether you are going to integrate with all those local systems, whether you are going to create standard interfaces for certain platforms and make targeted investments in common capabilities that can be shared across markets, or whether you will be forcing everybody to adopt a common global CRM platform.

3. **Regulatory requirements**: A key challenge for a global team implementing MCM is getting clarity on the emerging regulations at region and country level. For example, complying with Europe's GDPR (General Data Protection Regulation) will require significant investments to cover new privacy-related opt-

in and opt-out procedures. Being able to delete all your data via a phone call across all channels, when you have multiple business units with different CRM systems and their own approaches to managing data is challenging and requires new structures and processes to enable that. China is establishing new cyber rules determining where data can be hosted, requiring very clear contractual agreements to be in place, which can be challenging when you have a large, complex corporate structure with different legal entities.

4. **Organizational siloes:** Any system that is being built is a direct reflection of the organization that built it. If you have silos in your organization, the platform and the capabilities that you designed will also be siloed – a key obstacle for achieving scale and efficiency. Having good intentions to get to a common platform is not enough – you also need a shared vision and leadership alignment for what kind of platform this will be, why it is being built, and what capabilities are in scope. In order to get scale, any platform needs integration with the various functions involved: If you have a data analytics organization over here, a technology organization over there, and another team responsible for operating the CRM, getting scale requires a lot of commitment and collaboration. The more fragmented the organization is, the more difficult it is to end up with a unified task altogether.

5. **Operational Governance**: One of the obstacles on the data side is that in each market you typically have a local CRM system and perhaps even one for each business unit. When business units share customers, it presents both an opportunity and a key challenge from an operational perspective – what is the governance around who is going to call on this customer and how often?

6. **Stakeholder turnover**: Over the course of these long-tail, multi-year efforts to build global capabilities, you are going to have multiple restructuring and people moving in and out of roles, so you will need to have a mechanism for dealing with these changes. Throughout the project, you will need to engage existing and new stakeholders to maintain and obtain buy-in, but at the same time balance the need for democracy within the need for centralized management. You have to have some centralized intentions at the beginning but be flexible enough to identify and accommodate changes throughout the program.

Key Success Factors

While the challenges are formidable, the rewards can be substantial – getting the organization to adopt a common global platform can create enormous cost savings by avoiding each market creating their own solution. Paying attention to the critical success factors can reduce the risk of failure and increase the odds of success:

Key Success Factors:
- Designing the decision structure
- Picking the right vendors
- Segment markets based on needs
- Transparency
- Long-term commitment

1. **Designing the Decision Structure**: Organizational culture has a huge impact on how you deploy. How much power is at the center versus the business unit or country? How are decisions being made to get to some organizational consensus on what this unifying capability should look like? The decision structure is not something that is easily designed, but it is important to be intentional about the design and to evolve it, but to be clear about the intent to create global capability - because you are going to have a lot of stakeholders at the local, regional, and global level, with different and often competing interests and agendas. Proactive change management is crucial to zero in on what needs to change and how to make that change happen.

2. **Picking the right vendors**: Almost all biopharma companies rely on multiple vendors to support their sales and marketing functions globally and locally. Some have moved towards more centralized global procurement or decentralized contracts with one large vendor. Centralized vendor relationships can be dangerous because the switching costs can be high when it comes time to consider other options. When it comes to partnering to build MCM capabilities, partnering with a big vendor can make a certain capability or channel too expensive for smaller markets. Beyond that, a critical success factor is the right level of vendor accountability: on one extreme you can get complete reliance but on the other extreme you have too many vendors involved, too many contracts, and too many fingers that can be pointed in different directions. From a business process perspective, it is crucial to think through how you create end-to-end vendor accountability with strong internal oversight. From a global perspective, you need a clear process for how you deploy and how you engage in each market - if you have vendors coming in from different areas doing different things, you will probably not be synchronized and end up with gaps in your plan.

3. **Segment markets based on needs**: Smaller markets really need less expensive ways to reach customers, whereas larger markets will require a complete set of capabilities. The key is to start with a minimally viable product for each market, convincing the markets to embrace what is available now and adopt their approach as they become more mature and need more integrated solutions. For global programs to succeed requires setting realistic expectations at the beginning: "We are going to start with something minimally viable and it's not going to be the fully integrated solution that you developed over time."

4. **Transparency**: If you are a global team, communicating with 15 to 20 markets at one time across different functional areas is a huge challenge. You need to have a regular cadence where the various stakeholders can get an update of what is happening over the next few weeks. In some cases, data transformation is happening at a global level because some of the data design issues can be very important to cascade across markets. As a local stakeholder in the global project ecosystem, these are important things for you to know. This is where establishing cadence, communication, and change plans become critical: How do you update everybody and make this transparent? How do you help people become informed so they can make good choices?

5. **Long-term commitment**: For a large pharmaceutical company, building a truly global MCM capability is a multi-year endeavor. It is crucial to have that runway and a commitment level of investment over that period of time. If you start this with an intention of achieving scale and creating a more efficient process across markets and you stop the program, you will waste enormous resources

Building a global MCM capability is a substantial undertaking, but the rewards can be enormous: Instead of investing in local capabilities that cannot be scaled, you can leverage a global platform to support local market needs, and in the process create a platform that allows to identify and replicate best practices.

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