



Suffer the Cuts, Or... Market More Efficiently?

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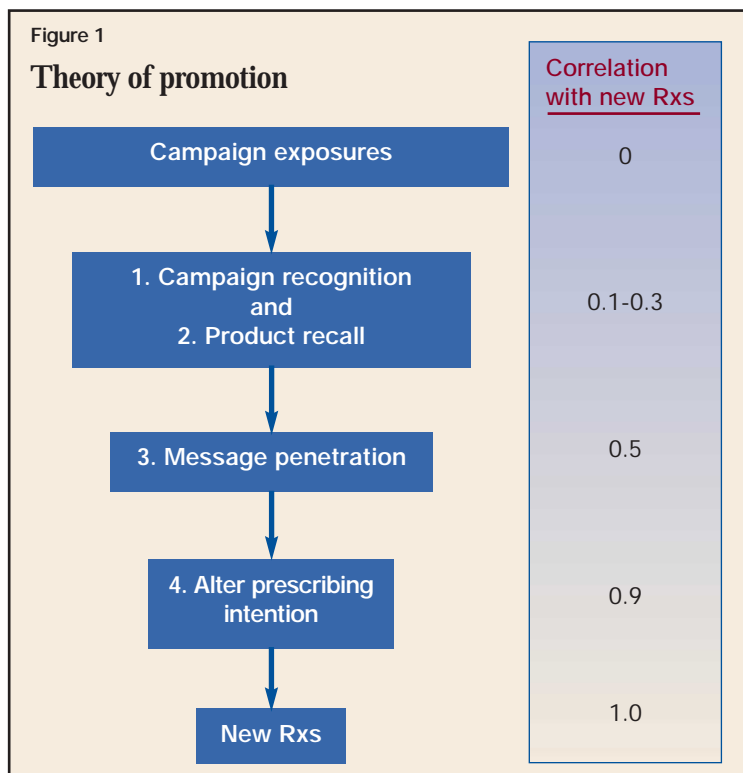


February was marked by announcements that both Pfizer and GSK would substantially reduce their U.S. sales forces. Financial analysts point to the considerable sums that will fall to the bottom line, a short-term viewpoint. Marketers with a longer-term perspective may see this as an opportunity to change the traditional marketing model and become more efficient with sales and marketing resources. One approach is to make a more concerted effort to leverage more expensive and powerful initiatives with more efficient and less expensive tools.

After 19 years in the industry and having evaluated over 6,800 pharmaceutical campaigns, you might think Marshall Paul learned something about how to increase marketing efficiency. His theory is relatively straightforward. He has shown that fewer than three campaigns in four get it right, enjoying 43% greater returns. Enhanced marketing efficiency comes with planning and good implementation, supported by validated measurement tools.

Marshall Paul's four-stage theory predicts more new prescriptions will follow if more decision-makers:

1. Are aware of the campaign
2. Recognize the product name
3. Associate a unique, credible and relevant message with that product; and as a result
4. Consider the product first for a specified indication.



Paul's Campaign Tracking System surveys analyzed with doctor-level prescription data have consistently demonstrated the increasing correlation with new prescriptions at each stage (Figure 1).

To best implement Paul's Theory of Promotion, a validated measurement tool is needed that integrates the evaluation of ad and message performance.

For more information on validated tools to measure campaign performance and a systematic approach to tactical planning, contact Graham Davies of Davies Strategic Solutions Inc. at (416) 467-7005 or by e-mailing g@davies-strategic.com. More information can be found at www.davies-strategic.com.

This column focuses on optimizing sales and marketing effectiveness. It draws not only on my experience, but that from other sources. Also, the column will often be supported by findings from research conducted by Marshall Paul of ACNielsen HCI, a leader in pharmaceutical promotion research since 1986. **CPM**