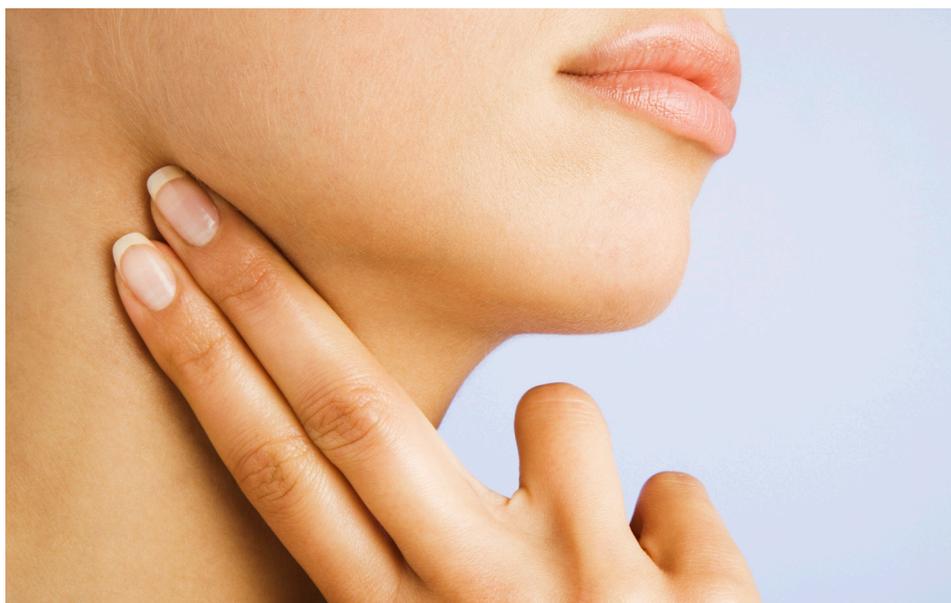


freethinking...

>> Using immersion techniques to get closer to the pulse of the customer

Achieving customer centricity



“Customer centricity requires a deep understanding of the customer, rather than just your own brand ... you must provide a solution to whatever that need is, based on the products and services you offer. It leads to a very trusting and mutually beneficial type of relationship.”¹

Geoff Blundell, Marketing Director,
Merck Sharpe & Dohme

Companies who want to be successful in the 21st century know that they cannot rely on the old adage that “a good product will sell itself”. With intense competition in crowded markets (even emerging markets), a product-led strategy will fail to deliver clearly positioned brands and eventually drive down profitability. To ensure sustainable growth, particularly in the face of global recession, companies need to ensure their focus is on the needs of the customer and organise their resources in a way that is entirely customer-centric.

where sales are left to sales, product development is left to R&D, and the brand is owned by marketing, to one which makes the customer the focus of the entire company – its goals, strategies and activities. To do this successfully requires a deep and entrenched understanding of the customer, one which is shared by the entire organisation, so that products and services best address customers’ needs and desires. Customer centricity generates loyalty and when customers are loyal brand value is enhanced.

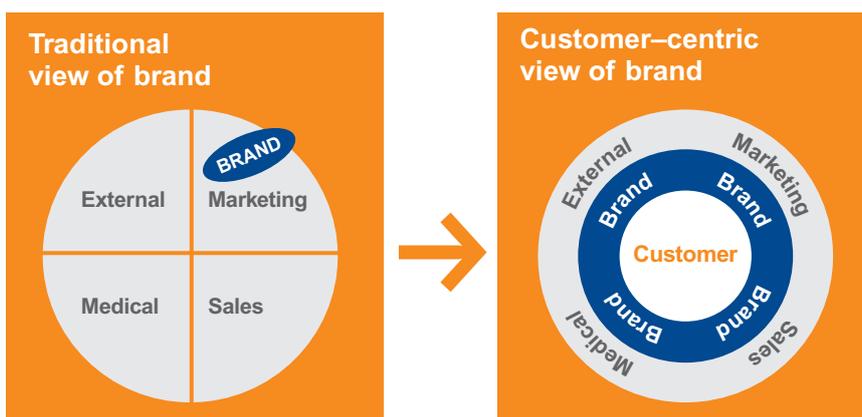
Big Pharma: Are we there yet?

Some strides have been made within the pharma industry to develop a more customer-orientated focus. Many global pharma companies now have sophisticated database systems and healthcare portals to track and understand behaviour and prescribing decisions.² This is laudable, but do they go far enough? Geoff Blundell (Marketing Director at Merck Sharp & Dohme) believes that big pharma has yet to achieve the kind of customer relationship that would make them truly customer-centric.

Putting the customer first

Customer centricity means putting the customer at the heart of the organisation. This approach has been adopted with considerable success in many leading companies from the FMCG, IT and telecoms sectors, amongst others.

However, adopting a customer-centric approach is not easy to accomplish. It requires a complete shift in corporate culture and structure – moving away from traditional departmental roles and silos,



¹<http://social.eyeforpharma.com/story/becoming-customer-centric#tb> ²See Puschmann & Thalmann 2001; <http://is2.lse.ac.uk/asp/aspecis/20010093.pdf>

“Ad hoc market research typically approaches the world by tackling one challenge at a time, which creates data silos. Undertaking an insight audit during the design phase eliminates this inefficiency. It allows one to gain insights into the problem based on observations attained from past projects, whilst identifying good question paths. More importantly it can be used in hypotheses generation, allowing the pharmaceutical company greater opportunity to maximise the value of future primary research.”

**Mark Jeffery, Founding Director,
The Research Partnership**

Beyond the techno

Information technology tools can help to build a single view of the customer, seen by the entire organisation, which is invaluable to complex and global organisations. However, they are limited because they do not offer real insight into the practical and emotional needs of the doctor, nurse, specialist, stakeholder or the patient in the real world. Nor do they illustrate the frustrations, fears and anxieties experienced by many in trying to improve people’s health, or their real-time interactions with pharmaceutical brands.

The Research Partnership recommends that good customer relationship management (CRM) needs to go beyond relying on IT and calls for approaches that help develop a deep understanding of the customer and their experiences of healthcare organisations and brands in day-to-day life. This is something that market research was designed to help do. Nowadays, the market research industry has many new and innovative approaches for truly immersing us in the hearts and minds of the customer. We would like to share some of these techniques with you and demonstrate how immersion in market research can have a major role to play in helping create a customer-centric organisation.

Immersion in Market Research

As customer centricity requires the organisation to put the customer at the heart of its organisation, so market research should put all customers at the heart of its design.

There are three key stages to any market research project:

1. Definition

Defining the scope of the project and its objectives

2. Exploration

Conducting research amongst stakeholders in the field

3. Distillation

Analysing and disseminating findings within the organisation

Quick guide to ethnography

What is ethnography?

A research method based on observing people in their natural environment rather than in a formal research setting

What are the benefits of ethnography?

- Deeper, richer insights into the mind of the customer
- Unobtrusive – Understanding the real and natural world of the customer
- More reflexive and acute awareness of the context
- Triangulation of findings through use of multiple methods

What makes a good ethnographer?

- Reflexive
- Unobtrusive
- Able to immerse into the study environment
- Sensitive to subject matter
- Knowledgeable on subject matter
- Takes good notes
- Able to simplify a complex collage of information into a good story that allows for a deep understanding

At each of these stages, immersion techniques can be used in order to get closer to the customer.

1. Definition

At the planning stage, we believe that it is crucial to involve key stakeholders in the research design in order to engage them with the marketing issue and help define the problem. We recommend conducting interviews with stakeholders to tease out their underlying concerns and questions, as well as to make use of their experience and knowledge. In conjunction, an “insight audit” should be carried out to identify any existing research already in existence. Both these exercises will provide a clearer framework of the aims and objectives of the study and avoid any research repetition.

2. Exploration

At this stage, a combination of primary and secondary research is undertaken to develop an understanding of the research problem. Secondary research is helpful for providing a better appreciation of the context of the study (e.g. what patients are doing, what the competition is doing) that will help in analysing the findings from primary research. In terms of primary research, a number of different immersion methods can be utilised that allow the researcher to delve deeper into the problem.

a) Ethnography:

Walking in someone else’s shoes

Ethnography is a traditional method of enhancing understanding of the customer. It is best described as “walking a mile in someone’s shoes”. Through the use of multiple methods carried out over a longitudinal space of time, it uses observation in a real-life setting (rather than an interview or questionnaire) to gain a true record of behaviour and motivations. Because researchers are able to immerse themselves in the world of the respondent they get an honest picture of actual rather than reported behaviour.

Ethnography has been useful in helping to make sense of the patients’ and clinicians’ worlds. It has been used to explore patients’ views on their experience of illness, to understand the way healthcare is organised and to recognise how professional knowledge is used.³ For example, an ethnographic approach was undertaken to examine women’s knowledge and perceptions of the use of medication in pregnancy in Malawi and found several factors affecting compliance to intermittent preventive treatment (IPT). These included unclear messages about IPT with sulfadoxine-pyrimethamine (SP) from nurses; women’s limited understanding of IPT-SP; periodic shortages of SP; tendency for late enrolment; and nurses’ underperformance.⁴

³BMJ (2000) “Ethnographic studies can help make sense of patients’ and clinicians’ worlds”, BMJ, Vol. 321(December).

⁴Launiala, A. and Honkasalo, ML (2007) Transactions of the Royal Society of Tropical Medicine and Hygiene, Volume 101(10) pp. 980-989.

“Marketers who devote at least 50 per cent of their time to advanced, customer-centric marketing processes and capabilities will achieve marketing return on investment that is at least 30 per cent greater than that of their peers who lack such emphasis”

Gartner report, 2003

A similar study was conducted within the private space of patients' homes to understand the beliefs, relationships and activities that contribute to patient non-compliance with medication and challenged the notion that patients' non-compliance was due to individual irrationality or dysfunction in the doctor-patient relationship.⁵ These studies revealed several key factors affecting compliance to treatment, which would not otherwise have been identified and allowed pharmaceutical companies to better understand patients' needs. This in turn helped them to improve their marketing strategies and campaigns to ensure patients would get the right care, medication and support, thus enhancing the customer's trust in the company and the chances of successfully developing a good customer relationship.

However, whilst pure ethnography is a powerful technique, it can also be time-consuming, expensive, impractical and consequently unfeasible for pharmaceutical companies to undertake. Nonetheless, the principles of ethnography can be applied to other immersion approaches in order to gain a better insight into the lives of patients and doctors, and their relationships.

b) Other immersion techniques

There are many other immersion techniques which use the principles of ethnography to get closer to the customer. Techniques such as participant and non-participant observation, in-depth real-time interviews and new media techniques such as online blogs and chat forums can all be utilised “to gain fresh insights from looking through customers' eyes”.

Rather than relying on one single method of data collection, a mixture of immersion techniques can be used and adapted to construct a holistic understanding of the customer. For example, we recently used a combination of both observation and interviewing to help a major pharmaceutical company learn how diabetics manage the disease.

The difference between saying and doing

In this study, interviews in various countries were undertaken over two and a half hours in the patient's home and involved a mixture of

Immersion techniques	Examples
Observation	<ul style="list-style-type: none"> • In-house • Clinic • Online discussion forums • Blogs
Interviews	<ul style="list-style-type: none"> • In-depth interview • Casual conversations • Questionnaires
Genealogical methods	<ul style="list-style-type: none"> • Diagrams and symbols • Video diaries • Photography
Semiotics	<ul style="list-style-type: none"> • Photographs • Artifacts

interview and observation techniques. The highly experienced moderator watched the respondent prepare a family meal and observed the contents of their cupboards, whilst asking the diabetic questions about their diet and lifestyle. The family was present and were able to chip in with comments that supported or refuted the respondent's claims. The moderator found that what the respondent said about their diet was very different from what the family and cupboard contents revealed!

The findings helped the pharmaceutical company learn more about the diet of diabetic patients, the difficulties they faced, and how they can help patients better manage their condition. This puts the focus on the patient's (i.e. customer) needs and

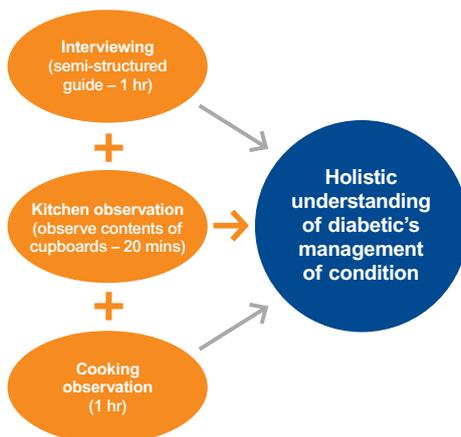
helps the pharma company build a better relationship with them.

Difficulties of daily life on record

Another immersion methodology The Research Partnership recommends involves the use of video diaries to investigate patients' experiences of living with their illness. Video techniques can be very insightful and offer emotionally compelling outputs. They provide a way of unobtrusively observing patients in their home setting, as they deal with the day-to-day problems of their illness. These visual stimuli are also useful as they generate additional data that can be used during subsequent in-depth interviews, serving as key discussion points for patients and doctors to launch from and share their views.

3. Distillation

To get the most out of the analysis stage of research, we recommend undertaking what we call an “immersion session” with key internal stakeholders to disseminate and jointly examine the findings from fieldwork. We have found these sessions to be very successful in developing a more integrated and comprehensive interpretation of the findings. Through these sessions, individuals from various departments across the organisation can share their views, offer their own interpretation of the findings and together develop more effective strategies for action.



⁵Shapiro, A. (2005) "Irrational Choices, Unfathomable Outcomes: Patient Ethnographies In Pharmaceutical Research", Ethnographic Praxis in Industry Conference Proceedings, Vol. 2005(1), pp. 173-178.

Our free thinker:

Marc Yates is Managing Director of The Research Partnership Asia based in Singapore. He has 23 years experience in pharmaceutical research and has, in his 11 years based in Asia, built up a detailed knowledge of this region, particularly in key Asian markets including China, India, Korea and Taiwan.

How can The Research Partnership help?

Being customer-centric is critical for a company to stay competitive and requires the company to understand fully the needs of the customer so that a sustainable, healthy and mutually beneficial relationship between the two can be formed.

Market research is ideally placed to help companies build customer understanding. And immersion techniques, applied at all stages of research from design to dissemination, can be especially useful in gaining customer insight. Immersion means involving key stakeholders in the process, obtaining their buy-in and their commitment to the company's strategies and efforts to incorporate good CRM.

Immersion methodologies, adapted from ethnography, are especially useful in allowing us to view the world from the customer's perspective and thus understand their needs, desires, and behaviour.

Finally, immersion in the analysis stages means enabling all departments in the organisation to benefit from the findings and build a customer-centric focus.

We can help by applying immersion methods at each stage in the research process. With over 50 dedicated pharma researchers managing multi-country studies in over 35 countries worldwide, we have the skills and the tools to help you get closer to your customers.

Key stages	What it encompasses	Immersion techniques
Definition	<ul style="list-style-type: none">• Planning• Designing the research to address your business information needs	<ul style="list-style-type: none">• Insight audits• Interviews with stakeholders
Exploration	<ul style="list-style-type: none">• Primary and secondary research	<ul style="list-style-type: none">• Ethnographic methods (e.g. observation, video diaries)• New media research (e.g. blogs, forums)
Distillation	<ul style="list-style-type: none">• Analysis• Interpreting the results, communicating the implications, recommending action	<ul style="list-style-type: none">• Immersion sessions• Joint interpretation of findings

To be customer-centric, a company must:

- Orientate the company's activities around the needs of the customer
- Have a deep understanding of the customer
- Engage all stakeholders in improving customer understanding
- Effectively respond to the needs of the customer
- Align the resources of the company to meet these needs
- Develop a good, mutually beneficial relationship that will ensure positive consumer experiences.

Get in touch...

Our research solutions are custom designed to support your therapy area, your customers, your geographical location and your brand. We would be happy to talk to you about how we can help. Contact one of our Directors if you would like further information on any research services.

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