THE FUTURE OF HEALTHCARE SEGMENTATIONS

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Introduction

Healthcare is a sector in flux. The global population is ageing, governments are widening access to care, and the balance of stakeholder power is shifting. The COVID-19 pandemic has fast-tracked other latent trends, including the digitisation of healthcare and the growth of new communication channels – both between doctor and patient, and between pharma and its customers.

Against this altered backdrop, pharma needs an improved framework to guide its marketing effort and answer the eternal business questions: who to target, with which messages, and through what combination of channels. Today, we have an additional but equally critical challenge: how to optimise this targeting in our digital age.

For these reasons, demand for segmentations in healthcare is higher than ever before, and not only for segmentations of treating physicians. We are also seeing an increase in patient segmentations in the preventative medicines space (e.g., vaccines) and general population segmentations. At the same time, segmentations are becoming increasingly global.

Whatever the focus of the segmentation, the challenge remains the same: how to make it actionable. Segmentations come under regular fire for lack of usability and/or relevance and, sadly, this criticism is often justified.

WHY DO SEGMENTATIONS FAIL?

In our opinion, most segmentation failures come down to the challenges of implementation.

A great variety of methodologies exist for producing segmentations but, unfortunately, some of these generate segmentations that are almost impossible to action. Why?

Some companies express a strong preference for either a purely behavioural segmentation or a purely attitudinal one. This either/or approach is sometimes justified by a narrow specific need but, in most cases, it is limiting. Behavioural segmentations may seem attractive as they can be easily appended in the CRM system, but they do not tell us the message or the combination of channels with which to target customers. Attitudes and needs segmentations are invaluable in revealing which messages will resonate, but they do not tell us who to target or via which channel. Therefore, neither approach in isolation really allows us to action the segmentation, to 'drive' behaviours through communication.

The other main barrier to implementation is that many companies are not structurally or culturally ready to get the most out of their segmentations. Optimally, a segmentation will be designed with the end goal – with implementation – in mind. However, this is only possible when the agency, the client, and the clients' internal stakeholders are all aligned, and this is often not the case.

We will explore this in more detail next.

'A TRULY ACTIONABLE SEGMENTATION IS ONE THAT IS ROOTED IN PSYCHOLOGY AND, SPECIFICALLY, BEHAVIOURAL SCIENCE'.

OPTIMISING HEALTHCARE SEGMENTATIONS

Based on our experience, and looking to the future, we believe the following considerations are pivotal to the success of segmentations in healthcare:

1. Use behavioural science frameworks to enhance actionability

A truly actionable segmentation is one that is rooted in psychology and, specifically, behavioural science. These frameworks enable us to understand so much more about our respondents' emotional drivers, their emotional and functional barriers, and their needs and motivations. By combining this knowledge with an understanding of the barriers preventing them from a desired action – e.g., HIV testing or vaccination uptake – we can identify targetable groups and targeting strategies that optimise behavioural change.

We believe that the future will see behavioural science frameworks adopted more widely as a part of segmentation input, enabling segmentations to better address needs, attitudes and barriers, and drive the behavioural changes they're designed to achieve. We also envisage more advanced psychology-based approaches being used, such as more visual stimulus and unstructured responses, providing even deeper insight into emotional drivers and barriers.

2. Tag customer lists for precision targeting

Traditionally, HCP segmentations looked something like this: the primary market research (PMR) would be conducted, and a segmentation solution would be derived based on a combination of attitudes, needs and behaviours. The next step would be to develop a segment-identifying algorithm based on a short number of survey questions. Sales reps would then be expected to 'implement' the segmentation by asking physicians the 'golden questions' during their sales visits.

This approach has always been very limiting. Not only does it put unrealistic pressure on reps and healthcare professionals (HCPs), it allows pharma companies to 'tag' only the limited number of HCPs that are visited.

By contrast, database tagging avoids burdening the salesforce and enables precision marketing to the entire customer target universe – a step change by anyone's definition. In our era of predominantly digital communication, it is more important than ever to know which communication and which combination of channels will work best for each HCP.

The availability of data on physician-level prescribing has paved the way for truly accurate tagging. It means that a segmentation can be based on a combination of attitudes and needs highlighted by the PMR and actual behaviours from the third-party prescribing data, merged at a respondent level. The tagging algorithm is based

on behavioural data alone and applied to the whole database, not just to those who took part in the survey or answered the 'golden' questions. The modern tagging process utilises advanced algorithms and achieves a high degree of accuracy.
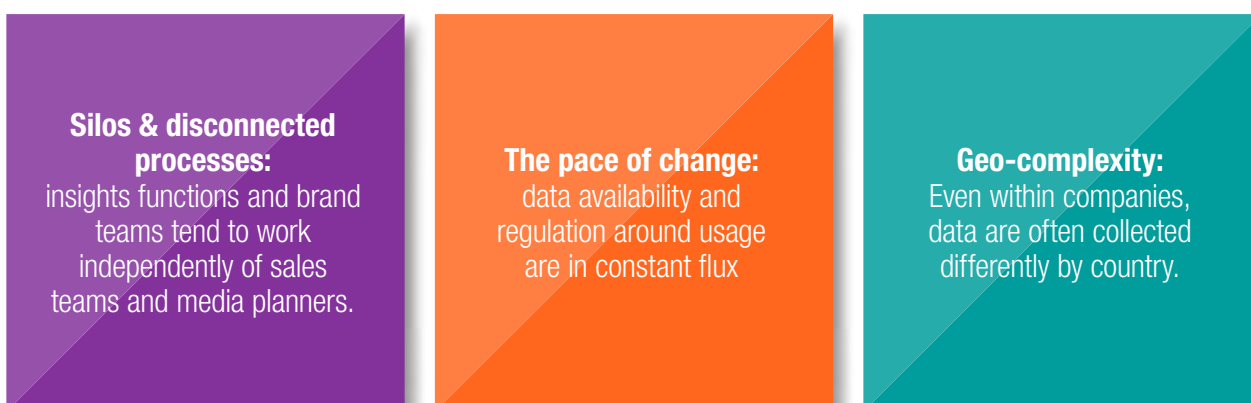
3. Align the organisation behind the segmentation

We have established that integrating a segmentation with the client's CRM system can enable true precision targeting and personalisation of the customer experience. However, this relies on having good quality, up-to-date customer data – from monthly prescribing of treatments and testing rates to 'practo-graphics' and responses to communications. Making these data available to agencies prior to deriving segmentation solutions means that only the solutions that can be accurately tagged are considered.

However, it can be a challenge for agencies to convince clients to share their HCPs' behavioural data. Some are prevented from sharing by different contracts with data providers. Others have structural barriers within the organisation or simply no culture of working across different data sources held by different departments.

Additionally, while many of our pharma and medical devices & diagnostics clients would love us to append their segmentation to their global CRM database, the databases may not be sufficiently aligned at a global level. Country by country, the structure of the CRM and the behavioural information available might vary significantly, making the provision of data more difficult for companies and global-level tagging more painful for their agencies.

This fragmentation is certainly not exclusive to pharma. A recent article from our consumer colleagues – Start with the end in mind – effectively summarises the typical organisational barriers that stand in the way of segmentation success:

Silos & disconnected processes: insights functions and brand teams tend to work independently of sales teams and media planners.

The pace of change: data availability and regulation around usage are in constant flux

Geo-complexity: Even within companies, data are often collected differently by country.

'ULTIMATELY, WE SEE THE MOST SUCCESSFUL RESULTS WHEN THERE IS STRONG ALIGNMENT BETWEEN THE INSIGHTS TEAM AND THEIR RESEARCH PARTNERS AND AGENCIES'.
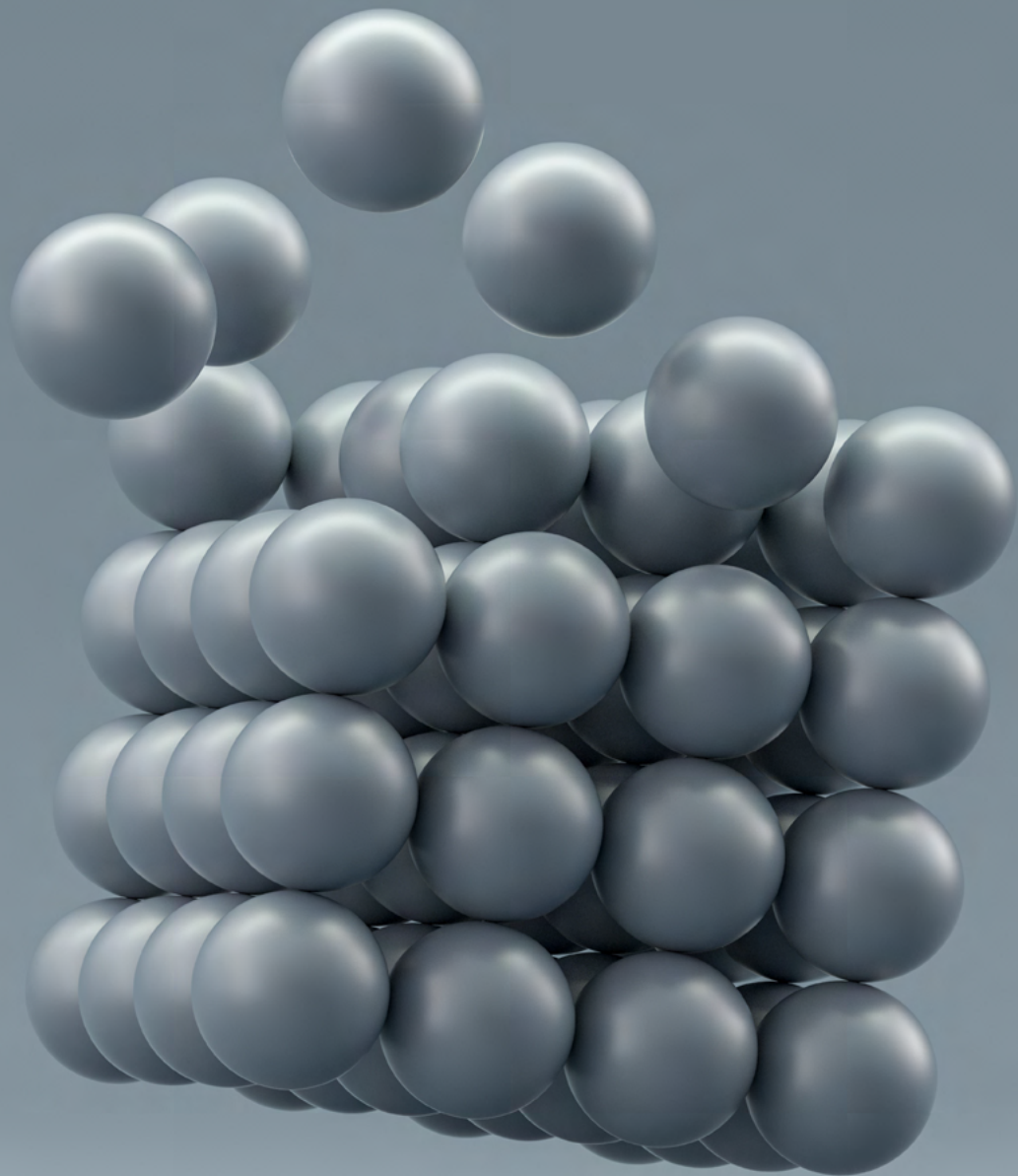
Their solution? Break the silos and create cross-functional teams. Set the data and analytics protocol upfront: determine which data sources and data points are needed and how they will be linked to other data. In short, start with the end in mind…

On a more positive note, we are already seeing a concerted effort by both pharma and MD&D companies in terms of improving, streamlining and harmonising CRM systems across regions. Hopefully, this will boost the potential for database tagging with global segmentations.

Ultimately, we see the most successful results at implementation stage when there is strong alignment between the insights team and their research partners and agencies – as well as someone leading this process. The role of the research partner should not end with the delivery of the presentation to the insights team; rather, they have an important role to play in bringing the segmentation to life, in helping develop materials for the salesforce and providing training to the salesforce and commercial teams. In fact, the ability to guide relevant stakeholders to achieve prior alignment, and to align the different parties at the implementation stage, is becoming a key differentiator for research agencies when it comes to segmentation work.

CONCLUSION

The transformation of the healthcare sector is both a big opportunity and a significant challenge. Segmentations are, and will remain, an invaluable tool for success, but only if they are actionable and allow precision targeting without burdening stretched sales rep resources.

We believe that segmentations of the future will be multi-dimensional, based on attitudes, needs, motivations and barriers, channel usage and needs, prescribing behaviours, customer loyalty, and more. They should incorporate behavioural science frameworks to ensure activation of the desired behaviours. The result will be a segmentation that is truly actionable, identifiable and targetable, and a powerful guide for developing targeting, communication and channel strategies.

To realise the full potential of any segmentation, however, the company must unite behind it. We look forward to a shift in this regard – the start of which we are already seeing.

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