CASE STUDY

8% JUMP IN REVENUE WITH AN AXTRIA MARKETINGIQ™- BASED GLOBAL MARKETING MIX SOLUTION

TOP 5 PHARMA BENEFITS FROM SCALABLE PLATFORM-BASED
SOLUTION TO STREAMLINE PROMOTIONAL CHANNEL EFFECTIVENESS

INTRODUCTION

A robust understanding of marketing channel effectiveness is vital in businesses across all industries, especially life sciences. Pharmaceutical companies constantly face stringent competition and must ensure their promotional messages break through the market clutter and noise. For emerging companies, assessing channel effectiveness is more straightforward than others. But for larger corporations that operate across multiple geographies and avenues of dissemination, the scenario becomes much more complex, where a more extensive and concerted analysis effort is needed.

For large pharmaceutical companies with global operations and multiple product lines across therapy areas, marketing mix (MMx) modeling plays a crucial role. MMx helps analyze the effectiveness and interplay of various channels to deliver meaningful insights about impactful customer engagement. But for insights of such scale to be effective and relevant, MMx models must be systematic, scalable, and facilitated through an advanced, purpose-built platform.

This case study explores how Axtria enabled a top-five global pharmaceutical company to harness MMx capabilities at scale.

OBJECTIVE

A top-five global pharmaceutical company wanted to ensure that MMx solutions were used for its key brands, across all markets globally, for promotional investment decisions. Most markets were unaware of the concept of MMx modeling, and their investment decisions were based on gut feeling and business sense. The Head of Global Analytics sought to build MMx models for the company's two priority brands active in markets outside the United States. They aimed to better understand these brands' marketing channels and tactics performance, informing decisions to optimize resource allocation. This project also aimed to showcase the value of running marketing mix modeling.

Having never performed an MMx exercise for these brands in most markets, the decision-makers of the pharmaceutical company recognized Axtria for its established capabilities in conducting timely and efficient MMx analysis and extensive domain experience in life sciences. One reason the pharmaceutical company selected Axtria as the trusted partner was Axtria's prior experience in US and non-US geographies using standardized and best-in-class models.

AXTRIA

INGENIOUS INSIGHTS

CHALLENGES

Several hurdles arose during the venture. First, the company's brand teams were unfamiliar with the concept of MMx and required detailed onboarding and training. Second, sourcing the data was tedious due to lacking a centralized repository or ready data marts. Each market's data was in a different format and had to be brought into a standard form. Third, there were alterations in the scope of the engagement; the geographies were updated during the project based on new interests, priorities, and data availability.

APPROACH

The global MMx and Axtria MarketingIQ™-based teams implemented a platform-based MMx solution for the pharmaceutical client. The effort included several key elements:

The engagement began with setting up a governance mechanism and establishing clear communication channels with the pharmaceutical company.

Axtria teams maintained regular communication throughout, relaying all progress and results.

To onboard the company's staff, Axtria's teams created a detailed methodology deck that educated not only its market team but also additional representatives in the company.

As results came in, Axtria's teams collaborated with the company to present those insights to market teams, responding to all follow-up requests.

Finally, thanks to prior expertise, Axtria's teams were able to handle the changing scope and requirements of the project deftly.
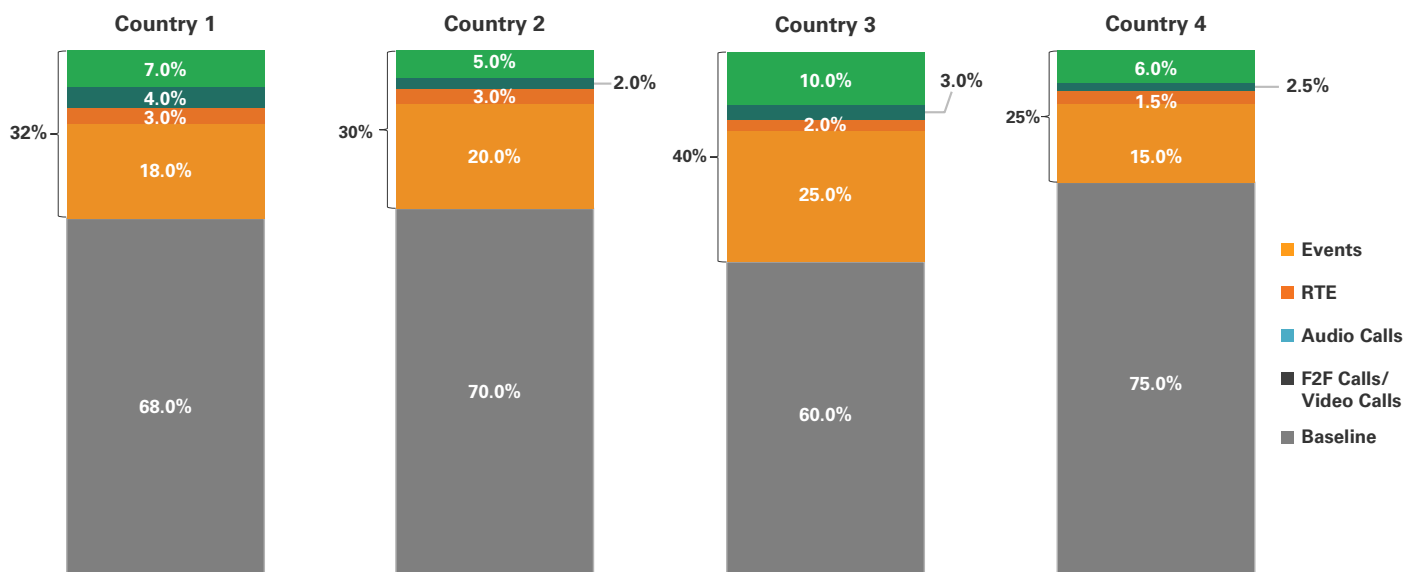
PROCESS

The teams at Axtria utilized a phased approach for executing projects in different countries, within which the pharmaceutical company was offered different paths through modeling and insight discovery.

1. First, the project began with a historical data review, verifying the ingested data. Axtria's product team then used Axtria MarketingIQ™ to model, fine-tuning various algorithms to match different business realities.

2. Next, customizing hyperparameters and configurations within Axtria MarketingIQ™ allowed the tailoring of MMx models to suit specific business situations in different geographies.

3. Finally, normalization techniques ensured proportional representation across geographic entities such as brick (a localized grouping of accounts), healthcare organizations, and others.
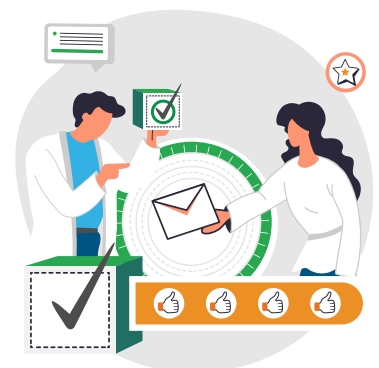
Subsequently, the teams used a scenario optimization module within Axtria MarketingIQ™, enabling optimization and planning for various investment scenarios.

MARKETING CONTRIBUTION TO BRAND SALES RANGED 25%-40% ACROSS 4 COUNTRIES THAT HAVE BEEN ANALYZED SO FAR

Country 1

7.0%	
4.0%	
3.0%	
18.0%	32%
68.0%	

Country 2

5.0%	
3.0%	2.0%
20.0%	30%
70.0%	

Country 3

10.0%	3.0%
2.0%	
25.0%	40%
60.0%	

Country 4

6.0%	2.5%
1.5%	
15.0%	25%
75.0%	

Legend:
- ■ Events
- ■ RTE
- ■ Audio Calls
- ■ F2F Calls/ Video Calls
- ■ Baseline

Source: Axtria Inc.

RESULTS

The pharmaceutical company observed increases of 4%-8% in its brand revenues across geographies due to the optimization of historical investment. Additionally, the Axtria MarketingIQ™-based solution also provided the following benefits.

1. It provided the pharmaceutical company with a historical data review deck.

2. Upon model completion, a detailed presentation output was shared with the company, including promotional impact on sales, return on investment, promotional channel effectiveness, and response curves.

3. By leveraging the optimization module within Axtria MarketingIQ™, Axtria teams presented various investment scenario results in detail (broken down by brick, province, and regional level), allowing the company to evaluate different business situations before decision-making.

4. In addition, a Microsoft Excel-based optimization tool was delivered for the brand team's hands-on exploration.

The project concluded with the pharmaceutical company appreciating the value of scalable MMx modeling and the ability to run MMx analysis at scale for several countries in sequence. The following is an illustrative chart highlighting the impact of various channels on total sales across countries.

The newly trained teams were eager to refresh the models for future investment decisions, expanding their market influence. As a testament to the momentum gained, the company has since used the comparison of results to craft a story across several markets, engaging in new geographies.

RECOMMENDATIONS

Upon understanding the impact of various promotional channels on sales, it was essential to provide recommendations based on results that could be actioned upon in the upcoming planning cycle for multiple brands. Axtria was able to provide promotional investment recommendations for various investment scenarios and how they would impact overall sales. These recommendations enabled the brand team to understand the impact of changes on sales and pick the most appropriate scenario for execution. Another requirement from some markets was to provide recommendations at a geographic level for each channel. Axtria tested scenarios using discrete levels of geography for each channel, which helped pharmaceutical companies optimize their planning at a more granular level. Additionally, an Excel-based optimizer tool was provided to the pharmaceutical company, enabling them to run custom scenarios independently and understand the overall impact.

The recommendations were well received, and market-level brand teams planned to use them for their forthcoming cycles.

CONCLUSION

> "The Axtria team managed this project exceptionally well. They were able to be agile during the transforming for growth organizational changes. They delivered high quality analytics and presentations."
>
> - Director, Head of Decision AI, top-five pharmaceutical company

The project enhanced the pharmaceutical company's central US-based team's ability to manage global markets and fostered the value of MMx modeling beyond US shores. Axtria's pioneering approach revolutionized the company's MMx modeling, increasing understanding of marketing dynamics and improving decision-making. Working on this project for a top-ranked pharmaceutical company also provided the teams at Axtria with valuable feedback and an excellent education in delivering tremendous value through its offerings.