

## OPINIONS

## Customer service: Where has it gone?

The June issue of PharmaVOICE asked readers to provide their opinion on the subject of customer service. The response to the query has been overwhelming. PharmaVOICE asked: In an age where the customer is king, what are the biggest customer-services challenges? How can the industry improve its customer-relations strategies? And what strategies work best to meet customer demands?

PharmaVOICE extends its thanks to all of its readers, our customers, who raised their VOICE on this important topic. The publication is pleased to extend coverage of this important topic in this issue.

(Editor's note: Please see the August issue of PharmaVOICE for additional responses.)

## Identifying stakeholders

Customer service is not meeting the needs of customers. But it is difficult to know which customers' needs are not being met. If one were to look at all the stakeholders in the healthcare/pharmaceutical continuum, I would say there are different levels of support being given through customer-service organizations.

The brand companies have created a bureaucracy by combining all the customer-service functions (trade, distribution, professional, and patient) into one area, often in a supply-chain organization. This makes it very difficult to see and manage trends. The good news is that the executives in charge of these departments typically report directly to the CEO. The bad news is that the sales department and product managers have to depend on written reports that may not be deemed to have the same importance as the budget or next management presentation.

In smaller (generic and entrepreneurial) pharmaceutical companies, the customer-service department typically falls within the sales department. This puts the voice of the customer where it should be — assuming that sales management listens. I have seen it work both ways in small companies. I would encourage the manager (not the executive) to take the approach used by market-research organizations. By that I mean, reward the manager who feels the need to shout it out when trends are evolving or when problems arise. And, reward the customer-service representative who appropriately expedites resolution of customer needs.

Ten years ago, the Deming organization and a slew of other groups were looking for, and recognizing, excellence. But the corporate world decided that profits were more important than awards and the two were not always positively correlated. The same is true for customer service. It is up to management to see that the value system and corporate structure

is in line with the desired function of the organization. Most companies hate bad news, but bad things happen when such news goes unnoticed, or worse yet, when the news is kept in a silo, such as production, where nobody hears about it.

The growth of SAP in the pharmaceutical industry has led to new ways of looking at customer service, and some companies have experimented with new reporting structures. Fortunately, there has been a shift back to sales, or executives have been hired to manage the process and report directly to the CEO or marketing board.

As mentioned earlier, there are several different stakeholders in the continuum and there always will be different internal and external customers to be supported. As such, I believe that the best companies do not group all customers in the same category. Sales needs to own the distribution/trade customer. The brand manager (or marketing manager) needs to own the professional customer. And, the brand team in a brand company needs to coordinate the customer-service input along with all the other market information and trends as part of its product forecasts and marketing plans so the team can meet the needs of each customer.

The Web is mentioned as a particular problem and I absolutely agree with that observation. The biggest problem I have seen is there is no attempt to track the response or trends from the Web. In the past, I have been requested to respond to customer inquiries to our Website but I typically responded and let it go from there.

I do want to take exception with the conclusion that good customer service is a thing of the past. I doubt that companies would exist today if they did not listen to their customers. Customers have become very demanding now that they have a very assessable vehicle to make requests. Additionally, customers have learned that complaining to a consumer goods company frequently leads to coupons or



other incentives. It was only a matter of time before customer rewards led to increased demands from all business categories, including pharmaceuticals and healthcare. Another trend in healthcare is the increasing portion of the healthcare bill being demanded of the consumer. Considering that there is increased dissatisfaction, easier access, and rewards for communicating with the manufacturer, one would expect the public to feel less than happy with the responsiveness of healthcare companies to meet their expectations.

*Paul Simon, R.Ph.*

PHARMACEUTICAL CONSULTANT  
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## Listening should take precedence

It's not surprising that more than one-half of the big companies in the pharmaceutical industry do not respond to customer queries. Ours is an industry in which listening to the customer — which should take precedence over every other form of communication — is often neglected.

Yet listening is the only way that a manager can learn about the market and its unmet needs. In medical education, a failure to listen at the grass-roots level can be fatal. Copying what other companies have done — or taking a "one-size-fits-all" approach — will only waste the marketing budget and reinforce the customer's sense of neglect. The biggest challenge, then, is how to avoid the mass-market mentality that currently holds the industry hostage.

My advice to marketing executives is to ignore the supermarket syndrome. In medical education, one-stop shopping doesn't work in today's changing landscape. Marketers are better off choosing niche firms — companies that specialize in specific areas — and then including them on the marketing team. As partners, the outside firms are in an ideal position to fer-

ret out customer feedback and to act on it by providing a firsthand conduit to the otherwise insulated corporate group.

Customer service is a euphemism for what marketers ought to do anyway. Responding to customer demand is just another way of paying attention to the market.

*Angela Fiordilino*

EXECUTIVE VP  
PHOENIX MARKETING SOLUTIONS

## The king's demands are changing

Actually, the customer always was king. Only the demands have changed. In the past, the demands were heavily focused on delivery of new drugs for the pipeline. Costs and supply were not a major issue because there was sufficient margin throughout the process to support inefficiencies.

That world no longer exists. Now, the customer demands the latest treatments, the lowest price, and instant availability — with no compromise on any of the items.

To do this the industry must drastically improve its internal processes. It is no longer enough to have the most advanced research or state-of-the-art equipment. The companies in the pharma business must be able to manage their operations to the tightest budgets and still meet all regulatory standards.

To achieve this, companies will have to do more than just “implement” ERP, CRM, production-control, tracking, supply-chain, and financial-control systems. They will have to integrate and optimize these systems so they work seamlessly and flow throughout the organization and to all trading partners.

No one should say this will be cheap, easy, or fast. Only that those who do not meet these goals will be left behind by the market.

*Stephen Ruger*

PROJECT MANAGER  
ANALYSTS INTERNATIONAL

## Know who the customer is

The first thing to be done when figuring out how to better service customers is to make sure you know who the customer really is! It's not just the customer expectations that are changing, sometimes the customer is different altogether.

In the old days, the customer for a medical education or advertising agency was likely the product manager or somebody on the marketing team.

Today, while the ultimate customer might still come from the marketing area, the guideline-frenzied environment has made legal departments considerably more influential, so

much so that they could legitimately be considered a new customer for us to focus on.

Some of the biggest customer-service challenges come from trying to satisfy often conflicting demands. One demand is for aggressive marketing initiatives that not only will drive sales, but have a quantified ROI that measures their success. The competing demand is to meet all the existing guidelines, including those that state that anything that potentially influences a physician's prescribing behavior is considered potential fraud and abuse. A customer who wants it all can be a very tough customer to service.

Our challenge is to guide customers through the minefield and help them to realize that the best partner they can have is the one who sees the land mine ahead and stops them from stepping on it, not the one who gives the best first-aid after the “boom.”

*Mark L. Rickards*

CHIEF OPERATING OFFICER  
S.G. MADISON

## Back to basics

There are several ways to improve customer service:

- Have a voicemail system that allows people to reach a human being, if needed. Systems that provide five options, none of which suit a customer's question, are extremely frustrating.
- Make sure people respond to e-mail. And if they do respond to e-mail, make sure it is a real answer and not some canned response that really doesn't answer the question.
- Make sure Websites are user-friendly, updated frequently, and easy to search.
- In addition to having press releases, pharma Websites should have online copies of presentations that are already in the public domain. For example, if a pharmaceutical company gave a presentation at a conference, that should be available online, including slides that can be copied and pasted into a document.

*Ann Neuer*

PRESIDENT  
MEDICAL DESCRIPTIONS

## Increased expectations

Not only is the customer king, but his or her expectations are increasing all the time. Instant information about health and healthcare via the Internet is creating informed customers who are no longer just relying on their physician for advice. DTC advertising also is making a brand a more important factor in making drug decisions. Competition is fierce. These things put tremendous pressure on pharma companies to not only be responsive when it comes to customer relations, but personally relevant as well.

I believe one of the key challenges to pharma companies will be to rapidly come up to speed with the consumer-goods industry when it comes to understanding customer needs. It's no longer just about disease states and demographics, but more about lifestyle and emotional benefits.

Understanding customers at this level requires approaching market research differently and applying learnings in more appropriate ways, via brand loyalty strategies that enhance the lives of customers.

*Denise Klarquist*

VP, MARKETING  
CHESKIN

## Seeing the big picture

In the fast-paced world in which we all live, challenges arise out of the ability to “see the big picture.” The thought that each customer interaction is a unique and individual transaction, standing on its own, contributes to a continual downward spiraling customer-service level. Rather, the ability to view the whole, not the pieces, fosters the development of a relationship through the interactions.

As a provider of support services, our ability to excel in providing customer service is paramount to the ability to maintain and

