



From Operational Excellence to Strategic Partner: A CALL TO ACTION FOR PHARMACEUTICAL MARKETING OPERATIONS

Pharmaceutical marketing operations is in transition. As brand teams shrink and demands grow, particularly in such areas as medical/regulatory/legal (M/R/L) review and speaker management, pharma executives increasingly turn to marketing operations for help.

Marketing operations has traditionally focused on operational excellence, delivering services to brand teams, and supporting company marketing initiatives. They sit with brand teams, each brand working in separate silos with little or no centralized management. This is rapidly changing as the need for efficiency and consistency as well as more complex regulatory compliance increases.

Most companies have centralized many marketing operations functions. Smart, strategic management of standard marketing operations functions allows greater effectiveness and profitability. Marketing operations is well-positioned to assume a more strategic role as subject matter expert, provide guidance, and help optimize resources.

The difference between an operationally responsive and a strategic relationship is the difference between executing tactics well and proactively managing operational functions for efficiency and profitability. Rate your team:

- » Are you invited to brand strategy meetings? Do you have a seat at the table?
- » Are you viewed as a subject matter expert?
- » Do you play a critical role from the brands' perspective?
- » Do you push back when appropriate?
- » Do you provide innovative alternative approaches to address issues?
- » Do you proactively suggest or assess alternative approaches?
- » Do you solicit formal feedback on the value of projects completed?
- » Can you influence without having authority?

Best Practices for a Strategic Partnership

Structuring marketing operations is complex and depends on the

company. For example, 12 companies in the TGaS Advisors' database include promotional materials management in marketing operations and most own M/R/L review and convention management.

Surprisingly, fewer than half show external agency management as a formal functional area, although expenditures are typically in the tens of millions and often exceed \$100 million annually.

The marketing incentive system is a complicating factor. Brand team members may be evaluated on how much promotional material they produce but not necessarily its promotional value. Nor are brand teams generally responsible for post-production costs. Viewed from the perspective of efficiency and profitability, the costs of producing, storing, handling, insuring, and ultimately destroying promotional materials have an impact.

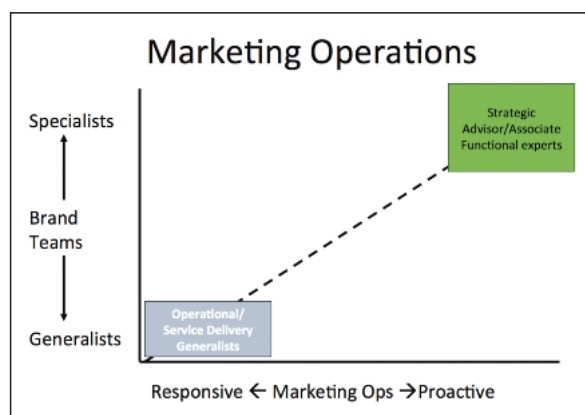
In several best-in-class companies, marketing operations is evolving as a strategic, centralized function led by senior-level executives, connected to other functional areas but with its own metrics and standardized processes.

From Responsive to Proactive

Most companies rate themselves a third of the way up the continuum from service delivery generalist to strategic advisor.

TGaS Advisors suggests five steps to strategic partnership.

1. Establish a vision/mission and philosophy



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for marketing operations, grounded in objective benchmark data, proactivity, innovation and strategic partnering.

2. Create awareness, engagement, and support at senior levels.
3. Define an adaptable, flexible, and responsive organization that meets current business needs and can adjust to new ones.
4. Redefine existing skill sets.
5. Continuously assess data and service levels, shifting resources to strategic brands and functions.

Standardizing and centralizing marketing operations may mean a change in mindset, but the payoff in greater profitability and operational effectiveness can be considerable.

When marketing operations leaders look through this new lens of centralization and proactive management, they quickly understand and demonstrate significant value to their organizations. **PV**

TGaS Advisors is a benchmarking and advisory services firm for pharmaceutical commercial operations and a division of KnowledgePoint360.

For more information visit www.tgas.com. To learn more about TGaS Advisors' Marketing Operations benchmarks email Don Paras at DParas@tgas.com.



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