Pharma Individual Level Customer at Risk and Next Best Action

CHALLENGE

Our client, one of the largest pharma companies, was facing market pressure in one of its core treatment areas. Many clinicians were “churning” – i.e. no longer prescribing the company’s drugs. Our client was looking for a data-driven approach to identify opportunities to reduce this trend.

IMPLEMENTATION

“Churn” as a term is rarely used in pharma, and many established churn prevention practices from other industries are unknown in pharma. In our approach we brought best-practices for addressing churn from industries like B2B telecom and utilities.
One of the first challenges we faced was that clinician churn is not easily observable in the data. Due to legal constraints, we didn’t have access to clinician-level prescription data. Instead, based on an analytical model, we constructed a proxy variable which classified a clinician as “retained” or “churned” with ca. 93% accuracy. We then deployed a propensity model based on machine learning which identified probabilities to churn based on previous history of interactions (sales rep visits, event attendance, reception and engagement with marketing communication). One of the key findings of the model was that the lack of certain interactions in the recent period was a big predictor for future churn.

IMPACT

Based on our model, the client prepared a ”customer at risk” initiative which targeted key clinicians which were identified as “at risk” based on recent history of interactions. Our client designed a specific approach to address customers at risk through an omni-channel strategy aimed at additional information, relevant content, support and communication and thus lowering overall propensity to churn of the “at risk” clinicians.

GemSeek