

## Only here for the beer?

In recent years, successful pharmaceutical and healthcare companies have increasingly taken a smarter approach to cultivating business relationships. In parallel with many other sectors, such organisations have long left behind the scattergun - or 'spray and pray' - approach of the '70s and '80s, in which any business was seen as good business.

Latterly this has been replaced by more careful targeting of those NHS and other healthcare customers who were likely to offer a greater probability of sustained, quality business. As a result, a whole new vocabulary emerged, including multi-level relationships and partnering, in which the goal was to start bonding with potential customers and deepen relationships with existing customers.

Not surprisingly therefore, throughout the '90s there was increased growth in corporate hospitality as companies recognised the benefits to be had from taking targeted customers and prospects out of the formal clinical setting.

Unlike many industries, we have clear rules and guidelines, particularly with regard to the ABPI in Pharma, governing what is acceptable in terms of hospitality. But in common with other businesses we know that putting clinical and non-clinical contacts in a social context, where you can relate to them as human beings and where they can talk about their needs and decision criteria in a low-threat

environment, can be an excellent way of getting closer to customers.

And indeed, when handled well, such corporate events can deliver a high-level captive audience - often for a considerable period of time - and continue to offer potential gains on what is not an inconsiderable investment.

For companies operating in the healthcare sector, social contact is in many ways as important a part of the marketing mix as conventional sales promotion or tendering. This has always been a familiar part of the industry and something which at times has been the subject of strong criticism and debate. Cultivating business in a social environment has created its own problems, which should be addressed if real value for both customer and company is to be derived from a substantial investment especially in these times of ever-decreasing budgets.

The multi-level contact strategy typical of many healthcare companies means there can be all manner of company personnel involved in hospitality events. Whilst some will be from the sales function, there are others with a more technical or senior role that may have never received any training in influencing or selling skills. In any case, conventional selling skills also tend to be too direct to be appropriate for social gatherings.

Those organising events with a degree of corporate hospitality often focus on the attendee list or content of the event, rather than the

planning, implementing and measuring of marketing strategy. As a result, the combination of direct and indirect costs gives a high real cost per contact, often with no measure of return on investment.

Does this matter? Taken in isolation, each may not seem especially problematic, yet the consequences can be significant and damaging. Expensive events may be organised, simply because they are different or of particular interest, with little regard as to whether or not they serve the broader marketing strategy and with no planning as to how tactical objectives might be achieved.

Failing to understand what is required of them, some customer-facing staff will turn every conversation into a heavy sales discussion, while others will stick to much safer ground, engaging only in social chitchat. And, underlying all this, no one knows what progress if any has been made as there is rarely any mechanism in place to measure success.

### **Social Influencing**

So, success is by no means guaranteed and, to make them work effectively, sales teams and other customer contacts must fine-tune their skills. The types of event can vary widely - from exhibitions, product launches and roadshows to events at conferences or congress and 'wining and dining' - but common to all is that the unwritten

ground rules are different from a formal sales setting.

Those attending a hospitality event will have different expectations - business may be on the agenda at some point, but the up-front attraction is entertainment, information and social interaction.

As a result, the kind of straightforward selling skills acceptable in a surgery, clinic or office are not appropriate in a social environment. At a social event a 'fun' or relaxed element must therefore be maintained, at the same time ensuring it offers an acceptable return.

So in examining how to manage such events, we must determine: What behaviour is acceptable and effective in influencing (rather than selling to) customers and prospects in a social context? How can we plan to use effective behaviour and link it to our customers' needs and our corporate goals? And finally - and most importantly - how can we measure the success of social events in contributing to these broader aims?

Key issues to consider include:

- **Event planning** - positioning the event within the broader marketing strategy or account management plan and ensuring it is appropriate to meeting business objectives and those of the customer, whilst keeping within industry guidelines or the rules of the ABPI;

- **Setting measurable objectives**

- we are not talking housekeeping issues here - percentage of attendees, quality of catering and so on - but quantifiable outcomes such as numbers of appointments or follow-up calls secured. The skills and tactics required to achieve such outcomes - identifying needs and gaining commitment - can then be determined in advance and will typically depend on where attendees are in their decision-making;

- **Managing interactions**

- assign the right people to key roles and in each case clearly define responsibilities and expectations, from the initial 'meeters and greeters' to the 'statues' - the primary client contacts who should typically stay in one place and to whom invitees are brought;

- **Persuasion skills** - effective influencers make a conscious distinction between 'social' and 'purposeful' conversation, devoting an appropriate amount of air time to each and managing a smooth transition between the two modes of communication. Similarly, they recognise the value of both the 'push' style - giving information and putting forward ideas - and 'pull' style - asking questions and building on others' ideas - depending upon the topic or situation in question;

- **Working the room** - it is easy to give offence by butting into a conversation or leaving abruptly, so many people don't try. They cluster with colleagues or friendly clients and often become so sociable they can barely stand! Skilled networkers by contrast select the right targets and adopt appropriate verbal ploys to enter or exit a conversation - graciously and without causing offence. It's all in the timing.

So, hospitality and business are not mutually exclusive. What it takes is the right blend of confidence, processes and skills to ensure that, while you and your customers enjoy themselves, you both progress your business agendas.

**Written by Alison Morris,  
Healthcare Sector Head,  
Huthwaite International  
Email:  
healthcare@huthwaite.co.uk  
Tel: 01709 710081  
www.huthwaite.co.uk**