

A Surprising Discovery Leads to a Marketing Career

An introductory marketing course put Len Tacconi on a career path in marketing that saw him join Merck at a time the pharma company began building its consumer marketing center of excellence, and along the way he has played a role in pioneering consumer marketing within the industry.

By Mark Tosh



LEN TACCONI

As a second-year student at St. John's University, Len Tacconi was fairly certain his career path would take him to law school. But he hit a detour in the person of a Harvard professor who had come to St. John's to teach business students about marketing. "He had been at Harvard for many years and we thought that it was odd that he would come over to St. John's, which was basically a commuter school in Jamaica, Queens," Tacconi recalled. "He made the topic so interesting that after that course, I switched majors and became a marketer – and I have been ever since."

He added, "It was just an introductory marketing course, but I had never really had any exposure to the topic. As part of my core curriculum, I had to take the introductory marketing course as a requirement, and it turned out to be my major and profession."

That was more than 30 years ago, and the routes that Tacconi has followed since his first marketing class at St. John's have been diverse, but have always focused on leading customers to take action. In October, his work as a pioneer in direct-to-consumer marketing of prescription drugs was rewarded with induction to the DTC Hall of Fame. Tacconi was among four executives named to the inaugural class of DTC Hall of Famers, by DTC Perspectives magazine.

Introduction to direct marketing

The first stop for Tacconi after St. John's was the former Manufacturers Hanover Trust bank in New York City. There he worked his way into the staff marketing group, and became a brand manager on various products. "The most fun thing I did there was to help create what was then referred to as a branchless bank," he recalled. "We used direct marketing to solicit deposits across state lines at a time when the Glass-Steagall Act said you couldn't do that. A

bank couldn't put a branch in another state but you could solicit business in other states and book it into a branch in the state that it was licensed."

The effort included creating a back-office branch in Hicksville, Long Island, where the marketers created direct-marketing display ads, broadcast ads, and a telemarketing/customer service facility that was set up to handle the deposits from the new customers that Tacconi and his colleagues were seeking. "We were literally able to book deposits in all 50 states and 16 foreign countries," Tacconi said of the effort. "And we became the largest branch, from a deposit perspective, of the entire Manufacturers Hanover system... It was my first exposure to direct marketing and it started a long history with direct marketing that I have greatly enjoyed."

The effort was Tacconi's first taste of marketing success, "The funniest thing was when we first got started, we hadn't a clue as to how successful it would be," he recalled. After coming up with the "magic formula" for grabbing consumers' attention "we ran an ad in the Philadelphia Inquirer and other large city papers outside New York and literally got 50,000 accounts," he said. That was 50,000 pieces of mail in just a few days. "We were sitting there, with the little back-office that we had created, and it was like the flood gates had opened up," he added.

Lessons in marketing at Weight Watchers

After five years of learning the basics of marketing at the bank, Weight Watchers International contacted Tacconi through a recruiter with a query about a new national marketing manager function. "I had no



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exposure to Weight Watchers prior to that,” Tacconi recalled, noting that he found the culture of Weight Watchers intriguing “because it was a blend of founders who were entrepreneurial franchisees who started the company...



Len Tacconi receives the Hall of Fame award from Deborah Dick-Rath of FactorTG.

and MBA-types like myself, who they wanted to infuse into the organization.” This was about the time that Heinz had purchased Weight Watchers, and the leadership was transitioning toward Heinz executives and away from original Weight Watchers people.

At Weight Watchers, Tacconi held a variety of roles, including chairing the franchise advertising and marketing council,

running a franchisee group in the St. Louis area and subsequently overseeing North American marketing for the corporate parent as vice president of marketing for North America.

Making the move to Merck, DTC marketing

After a little more than a decade at Weight Watchers, an executive recruiter contacted Tacconi with details about a new position and function at Merck that involved building a consumer marketing center of excellence. “Merck had acknowledged internally that the DTC trend was going to be a big one and Merck, like most of the other companies, was trying to [accomplish this with internal executives] who really knew pharma, but didn’t know consumer marketing very well,” Tacconi said. “The thought process by a very insightful executive who hired me was why not bring in experts, incubate them inside the company, and then eventually we could diffuse them throughout the organization. I was privileged to start that group back in January of 1997.”

Among the executives recruited by Tacconi and his leadership team to staff the consumer marketing center of excellence are several who have gone on to be named Top 25 DTC Marketers of the year, including Matthew Arm, John Pirovitz, Peg Melanson, and Luis Lacouture. “It was a great cross-section of folks from a variety of consumer-packaged good firms and they were all brand-management type executives,” he said. This was

a change of thinking for Merck, which had thought it best to bring in communications experts from advertising agencies. “I rejected that idea because I wanted [the new recruits] to have a career within the company,” he said. “If I brought in marketers and trained them to do the communications and learn pharma, then

they would eventually go into brand management roles within the company. And all of them have, and they have done quite well.”

Tacconi said he believed from the beginning at Merck that DTC would become an important communication vehicle for the pharmaceutical industry and a widely accepted practice. “The early indications, especially with a lot of the disease-related and help-seeking advertising we had done at Merck gave me that confidence,” he said. “In those days when we were doing this work, we had a 40 percent share of the statin market with Zocor and Mevacor. At one point, it was probably even 50 percent, prior to Lipitor coming on the market. We were doing a lot of education around what hypercholesterolemia was and the response that we would get when we would offer patients the ability to learn more was amazing. We’d get thousands of calls from a campaign every week.”

Because of this success, Merck also chose a similar tactical approach with osteoporosis and Fosamax; and with protease inhibitors and Crixavan. “These were brand new categories that patients really wanted to learn more about,” he recalled. “By virtue of that, they were calling us in great numbers to get more information. I felt like we were really providing a true public service, and I still believe that’s the case.”

Moving DTC into new areas of focus

Over the past decade, since the launch of product-claim broadcast television ads in 1997, DTC has become a lightning rod for all things connected to the pharmaceutical industry – even if it’s overall impact on the business is a small percentage of the total business. Tacconi said he believes that DTC “is unfairly being held up as a factor in increasing the cost of medicine. He believes pharma companies should become more involved with answering this question, and other questions, and trying to shine a new and different light on the industry.”

As an industry, we haven’t done as much work as I think we need to do to tell our story. From my work in reputation management, I learned that if we tell our story in credible ways – just providing facts without a whole lot of emotion – people will think better of us. This says to me that there’s a communications challenge that needs to be met, which is that we need to get our story told. In this environment, the only way I believe that the story is going to be told is if we do it ourselves.”

One solution to this, according to Tacconi, is for pharma companies “to get more active in partnering with our patient customers and being more patient-centric in the way we go about doing this work.” Patients need credible information, which means pharma must provide this information in a way patients can understand it and in a timely and effective manner. “That might be more work than we are typically used to,” Tacconi said. “It’s certainly more work than putting a 30-second ad on television.” ■

Important Information: You should not take LEN TACCONI if you are allergic to stimulating challenges and the pulse-raising effects of great marketing success.



It has been our distinct pleasure to have Len as our client for the past 10 years. We send heartfelt congratulations on his induction into the DTC Hall of Fame. We know firsthand that he has earned it. From his many friends at

