DO WE NEED REPS?

Seven industry experts evaluate advances and opportunities in non-personal promotion to physicians, and debate whether it's even necessary for brands to deploy sales forces. **James Chase** chairs the discussion

James Chase (MM&M): As a starting point for assessing the value and potential of non-personal promotion versus sales calls, how are healthcare professionals (HCPs) currently engaging in digital platforms, services and tools?

Monique Levy (Manhattan Research): HCPs are very IT savvy. They have all the devices in use throughout the workday. The new issue is what is happening in EHRs (electronic health records) and how that's impacting their day-to-day use, not only in technology, but in their decision-making. ACOs, health reform, and the technology that comes with it, are pushing back on their natural growth potential. We haven't seen much growth or decline in how HCPs are engaging with pharma. A little bit of decline in how they're using pharma websites, but when it comes to online promotion – even engaging in different assets, mobile, apps, things like that – we haven't seen growth and not too much decline.

Paul Slavin (Everyday Health): Any sense of why that's staying level? Is it because they're getting content elsewhere?

Monique: I think it's a saturated market and there's a huge amount of good content elsewhere. Pharma has gotten a lot better at producing good assets, but some of them are still poor to moderate in terms of quantity and really honing in on what might be useful. Physicians' pain points are shifting. When we said to HCPs: "What

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do you want pharma to give you now in this new world?" you see that their urgencies are now things like helping with prior authorization; helping figure out how to do a patient workflow; what do I do with these restricted lists?; tell me how to become part of an ACO and how to cope with ACOs; help me give patients tools to improve their outcomes. You've probably got 50 apps that do dosaging. How are you going to find that particular app?

Paul Ivans (Evolution Road): They can't find it. The time that they have is going to shrink. They have to use the health system that they work for, their EHR, their laptop or on their iPad. We can't even get into the workflow. We have to learn as an industry to leverage EHRs, communicate through them, to get our assets in front of doctors, get our messages in front of doctors.

Paulette McCarron (CMI/Compas): There has been a lot of talk about shifting pharma's mindset and letting the physicians direct how they're going to be messaged. And yet we're talking about how HCPs can't find an app. So we're not doing it effectively. We're still pushing, when the whole paradigm has shifted with every consumer, including physicians, which is they seek out information when they want it and how they want it. If I'm a pediatrician in Madison, WI and I know there's a new formula. Ask what do I need? And then answer the question, how do you get me the information?

Jessica Seilheimer (Havas Life New York): Do you think the sales-service model will shift? So there's a clinical need, and then there are these non-clinical barriers. So if you look at how pharma services customers, from a sales perspective, the rep has to do more. It's not just about, here I'm going to teach you how to use Tysabri today. Instead it should be, I'm going to show you where your nearest infusion center is. Let me help you get them enrolled on the REMS program. Let me help you get the paperwork done.

Paulette: They still want to interface with reps. They just want it to be on their terms with what they need. But until pharma companies stop being run by ex-sales people, certainly, sales forces will never competely service physicians.

Jessica: And if you look at the pipeline of products, it's all specialty compounds. There's no big blockbusters anymore, so MSLs will play a bigger part over just your everyday reps that have sold pills for the most part. There has to be a different way to augment the in-person communication, where pharma can interface with a physician anytime, anywhere, via any screen, and it doesn't have to be in person.

Mike Luby (BioPharma Alliance): We're taking strategic looks at specialties to get a sense of two big objectives: How HCPs fundamentally learn about products across mix, channel, media and branding; and how they engage with pharma. We take former drug reps and put them in an office, undercover, and they watch all drug rep activity for the day. We've witnessed in the last year more than 1,000 rep visits. What we're seeing is there's this huge issue of inertia. It sounds easy, that I can click on an app and order a sample, but there's a burden of inventory. I have to figure out where this app is. So the question here, is really not "yes" or "no" on sales, but what does a sales force look like, in a way that can fit?

And there's two things that are fundamentally difficult in the pharma psyche right now. One is pharma doesn't like to co-op. The analogy I use is cable television. What if ESPN said they have to have their own wire into your house? And Fox? You have 80 wires coming into the house and 80 bills. And who does it suck

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for? The customer. And yet the reality is, I have 80 reps coming in, many of them with old drugs like Nexium. You're not teaching anybody anything about this product. The other is pharma doesn't like to admit that they don't have anything new. From the work that we've done, that's the number one frustration of doctors with reps is you come in and act like you have something new and you don't. So much of what the doctors want are things that your reps aren't allowed to talk about.

"MCOs have more data on our drugs than we do. If they can 'out-data' you, then you're in trouble"

— Peter Justason, Purdue Pharma

Peter Justason (Purdue Pharma): From the life cycle point of view, your marketing mix is going to change. You probably need more human interaction at the beginning. But when I was at J&J, we pulled the entire sales force a year and a half before the patent expired for Topamax – and it actually grew the brand. Depending on where you are on the life cycle, the optimal mix will change. I also believe the optimal mix will change by physician and prescriber. At some point we've got to figure out what's the best mix for Doctor Smith. There's about 3,200 doctors in the upper two deciles in our marketplace? So what are we doing with these 3,200 doctors? We should know them really, really well and we should really know what triggers them to do the appropriate behaviors that we're looking for.

Paulette: This idea that the best predictor of future behavior is past behavior ... so if they know Doctor Smith in Madison, WI, in March he got a journal ad. He did this, this, and this. And his activity resulted in this. And you built a CRM program that ultimately represents the direction everyone's heading in.

Jessica: All custom, all personalized. And that segmentation needs to move from prescribing behavior and attitude. It's about categorizing the drugs including everything that you just said. The medium mix as well.

Peter: Right. The other thing is you've got to look at is what's the relationship between the decile docs? Who influenced who? Going back to the Topamax example, we got it down to 13 doctors who were the most influential migraine writers.

Paulette: Right. And it's much easier to figure out how to influence 13 people who subsequently influence thousands, than it is to figure out how to influence all 4,000 people.

Peter: You've got to be able to tell us who's interactive with our stuff. If you're saying just 10 percent are interactive, it really doesn't help us.

Paulette: Because you need to know which 10 percent?

Peter: Exactly. I want to know if Dr. Smith touched my e-detail on your site.

Paul Slavin: We'll be able to provide that starting in 2014. We're seeing tremendous increases, obviously in non-personal promotion. We're seeing doctors coming to our sites, coming to our content in numbers that we haven't seen before, so I can't address whether they want to see reps in person or don't want to see reps in person, but they're certainly coming and searching out information very aggressively. And that's grown from very little two years ago to be quite substantial. The why is a little bit harder; it's as you suggested, they get information they want anytime, anywhere.

Jessica: It's automated, right? So it almost becomes like an RSS of information that they can just access whenever versus having to search for it every time.

Paul Slavin: And they are ... we can tell that they are walking between patients with their mobile device and they're looking at news and they're looking at some other functionality. So we've seen huge increasing mobile usage. And continuing request for more information, more information.

Paulette: I think your content, to your point, your content is the reason that you have such an uptake in mobile because if you were producing elaborate videos with heavily clinical, you know, 40-page PDFs, they wouldn't be using their phones because they couldn't. But if you are sending them some type of alert that there's news or if they're going to their specialty home page and checking something, then that's obviously very easy for them to get on the phone.

Paul Slavin: We're not seeing a decline in the desktop usage. But we are seeing a significant increase in mobile, Monday through Friday.

Paulette: When they're not at their desk and they're walking around with their phone.

Paul Ivans: It just goes back to the work flow thing. I think that the reason why physicians are using multi-channel, non-personal promotion so much more than before is they still want the information. They don't want to see a rep every week because the rep's got nothing new to say. But when they want to get information, they now have other places that they have to go.

James: So why, then, is non-personal promotion often the first project to be cut?

Paulette: I'll put my observation hat on. I would say, it's much simpler to say, well, we drive you to our website, but our assets kind of suck, and you pull the advertising and that's quick, while, from a financial standpoint, you'd be better off firing people. You'd save more money. There's a whole element, first of all. It's not like pharma doesn't fire reps – they do. And it's happening more and more. But I think it's not the first step. I think it's a later step. It's just much easier to cut all your promotion quickly.

Mike: In a lot of companies you're still seeing non-personal, but just it's not at scale. And you're seeing a lot of nice ROI's on small populations. That's one of the reasons I'm not painting with a broad brush. I still see a lot of that happening. If I'm in that seat, I'm cutting it pretty quickly too.

Monique: Why? It's such a tiny amount. Why are you doing that?

Paul Ivans: Well we don't see non-personal as the first thing to get cut. It's ahead of reps in line, but it's not the first. The ROIs for non-personal have improved dramatically over the last couple of years. Much of the time the ROI's are strong. Not always, but it's across that 50 percent mark, finally. So the programs are working. They're not at the scale that we want them to be, but the ROIs of reps have consistently declined. And when it's time to make those big budgetary decisions, that's when pharma is significantly reducing field force and, at least what we see, maintaining an increase in the focus and the budgets and the efforts and the resources behind non-personal. I also think parts of the industry are finally moving from rep-centric to what the customer actually wants. Unfortunately, it's probably still the case in most pharma companies that what you deliver via non-personal means is still a derivative of the visit. But that's starting to change. People are starting to tear apart the components that go into the vis-aid, tear apart the claim set that feeds the whole process. Trying to get you what you want to see. We're trying to understand what you want. I think that notion is helping pharma.

Peter: I think to some degree the rep is going to evolve from being a sales detail to an account manager for a geography. For this doctor, I need to get this. For that doctor, I need to get this.

"It's probably still the case in most companies that what you deliver via non-personal is a derivative of the visit"
— Paul Ivans, Evolution Road

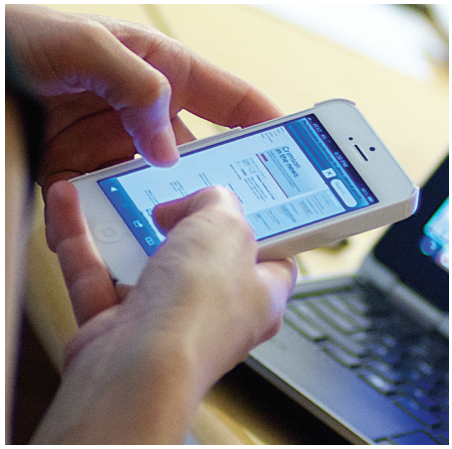
Mike: I think it will also evolve, similar to life cycle, in that you use education-intensive at launch and service-intensive the day of patent expiry. But brand marketers and pharma don't like to do an emphasis on services, reimbursement, cards, all that sort of stuff. They want to always be touting a new message.

Peter: So the customer that's getting more and more important wants something different from us. If we don't start to work that into our phase two, phase three plans, it's going to be the same thing all over again. Groundhog Day here we come.

Paul Ivans: We have to change the game. We have to stop competing against the other guy in the category for eight cents more or less. We have to compete against the 15 thousand dollar cost that the system incurs when there's a readmission.

Paulette: Right, but then you're back to how pharma companies don't like to play nice in the sandbox together.

Mike: They are not going to have a choice. The other reality is the healthcare systems want it that way. That's where it's going.



Paulette: So none of us want to let go of the rep?

Peter: I think you'd be crazy. The rep can customize the information. The rep can listen actively, make decisions on the spot, be able to tailor the information, they can read body language. They can listen. They can get feedback. It's a very powerful tool. That's why we've used it forever. And it works.

Paulette: When you're talking about launch. I don't see a way around it. The days of saying, "hey let's spend 17 million dollars to launch this product—sure you can have a little of this, you can have a little of that, sure." The companies will no longer allow that, and they did for a long time. Even conventions are now being scrutinized.

"Pharma brand marketers don't like to do an emphasis on services. They want to always be touting a new message"

— Mike Luby, BioPharma Alliance

Paul Ivans: I think pharma's in a moment in time where they're struggling with how to drive for business. You've got field-force impact and access decreasing. You've got multi-channel efforts working, but not yet at the scale of field force. So we're in that weird moment and, as an industry, we have to demonstrate that it works. We have to be very disciplined in the measurement of it, be smart in the way we do it, prove that it works. And part of the issue with scale is we're not spending nearly the amount of money on our non-personal efforts that we spend on field force. We don't have frequency of deep engagement in non-personal at two, three times a month against each target position, as we do with reps. And I'm not saying we should do that today. We've got to continue to prove that it works, prove that we can get the reach and then the engagement at scale for the right amount of money. And then the shift will come. But pharma needs to figure out a way to drive sales in this new environment. It's not as dependent on reps as it was in the past.

Mike: I think the rep will still play a very active role but it'll look fairly different than it does today. But there's still enormous opportunity for a lot of the non-personal offerings to get to the next level, in terms of balancing that customer-centric versus your marketing-centric need.

Paul Slavin: I agree with you. I don't see reps going away. But, ultimately, it's going to be far more efficient to reach people through technology, through publishing, through content. It's just too efficient for it not to be, as you suggest, the wave of the future.

Peter: We just simply can't stop promoting. We're just going to promote differently. The great thing about non-personal, is that it tends to be less costly per interaction. It's not going to be as impactful as a representative is. It just can't be. There's so much more a human being can do than any app can do. I think the promotion within the work flow has got to happen. I don't think the EMRs are going to be the way to do it. Simply because I think there's going to be all kinds of privacy things that are going to happen, that we don't know about yet. And outcomes data. We've got to get outcomes data into a promotional message in terms of, "If you use my high blood pressure, I will reduce the amount of heart attacks in your ACO," or whatever that is. Unless we start that now, we're not going to have that in five years because it's going to take us that long to do.

Paulette: The trend is, in all the companies that I work with, to harness data and make it actual, make it usable as opposed to this collection that's been sitting in some room somewhere with a mainframe computer from the 70s or something. Ultimately, the customer should be what we're all thinking about, and the companies that will be the most successful are the ones that understand their customers better in data. And they will ensure they get the information they want, when they want it, how they want it. In whatever form they need it in.

Peter: Managed care organizations have more data on our drugs than we do. They know actually more about how they're used than we do. That's a very bad approach to be in some sort of buyer-seller relationships. So if they can "out-data" you, you're in trouble, because pharma has always been about the clinical data. But you've got to get beyond that. You've got to get into the service model as well. Unless we start to expand it out, it's just going to be about the PI and that's it. You may have some logo lockups and some matching luggage but until you actually get that brand experience out to where you're actually doing something with the data, where it means something to customers, you're not going to be in a very good spot. ■