

# The Digital Dynamic: Changing the Pharma-Physician Interaction

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Evolve or get left behind. This is the choice facing pharmaceutical marketers today, and the urgency behind the decision is greater than many in the industry realize. Marketing strategies must evolve to complement the needs and preferences of today's time-starved physicians. They must better align with the changing organizational dynamics that impact how physicians access and receive information in a performance- and outcome-based delivery system.

To gain insight into how physicians prefer to interact with pharma today, and what role sales representatives might play in the future, Quantia and Capgemini Consulting partnered on a study to characterize the changing relationship between pharma and physicians. Almost 3,000 physicians from the QuantiaMD community across various specialties and practice settings participated in the study allowing us to explore their current engagement with and preferences for various sales and marketing channels, as well as their expectations for the future.

## Key findings from the study:

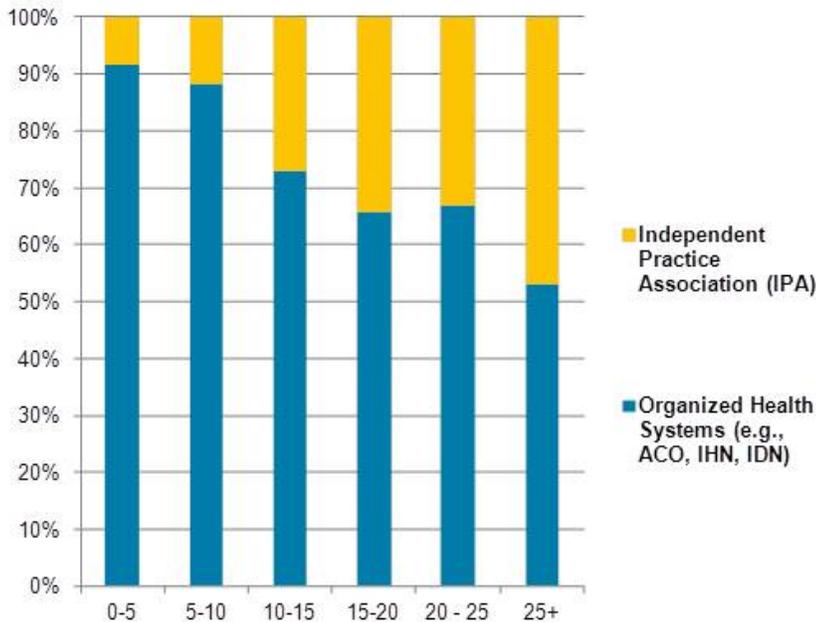
- **Only 14% of physicians see more than 1 rep from any pharma company per day**
- **Only 20% of physicians rated reps as their preferred source for information (down from 27% in 2012)<sup>1</sup>**
- **67% of physicians prefer digital access to pharma product information**
- **40% of physicians believe digital media offers the most personalized and relevant content**
- **Over half (52%) of physicians believe the role of sales reps will evolve into a coordinator or director of multichannel information sources**

## A changing landscape

What we found is that a rapidly changing healthcare landscape, with a shift towards highly organized health systems (ACOs, IDNs, PHOs), is making it much more difficult for pharma to reach physicians through traditional in-person rep visits. According to our research, 64% of physicians currently have restricted access to pharma representatives. In addition, only 14% of physicians report that they see more than one pharma representative (from any company) per day.

Perhaps not surprisingly, physicians working within organized health systems are far less likely than their private practice counterparts to access information from a pharma representative. This is overwhelmingly due to restrictive organizational policies, as 80% of physicians who never see reps indicate it is due to a centralized decision. What did come as a surprise was the rapid rate at which newer physicians (< than 10 years out of medical school) are joining organized systems and declining to see pharma representatives. Ninety percent of newer physicians are joining organized health systems, as opposed to the almost 50% of more experienced physicians who practice independently.

### Physicians' Years of Experience\* By Organizational Setting (N=2,982)



\*Years of Experience defined as years since graduation from medical school, displayed on X-axis.

As more experienced physicians continue to age out of the profession, the move away from independent practice will rapidly increase. Today, 47% of practicing physicians are over the age of 50<sup>2</sup>, and as retirement approaches, the trend toward organized systems will accelerate.

When you couple aggressive formulary management within organized systems with reduced in-person access to physicians, pharma finds itself in an environment where professional promotion is less impactful. In our study, pharmaceutical resources were viewed as having the least amount of influence on prescribing behaviors in comparison to organizational constraints, treatment protocols, patient access issues (cost) or peer influence. As a result, pharma is faced with the challenge of changing the dynamic of physician interactions, with opportunities to leverage a multichannel approach to disseminate customized content in a way that physicians perceive as credible and easy to access.

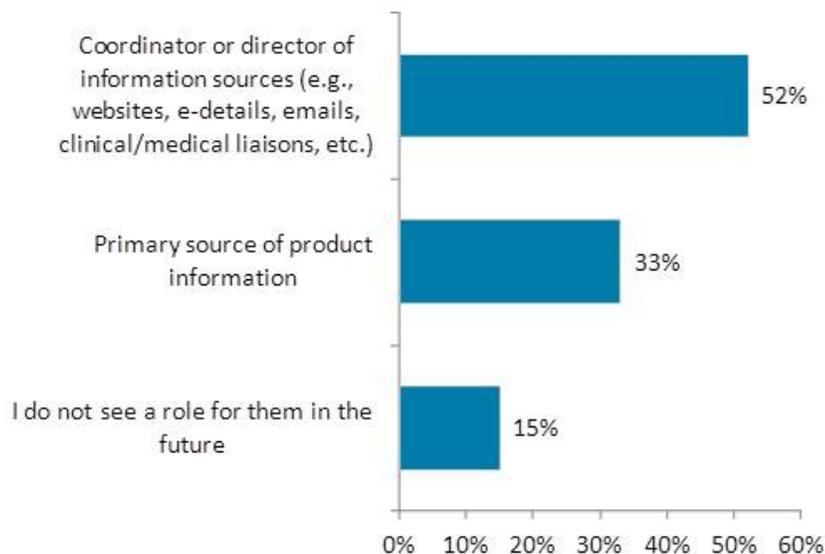
**How can pharma adapt?**

In order to acclimate to the “new normal”, professional marketers will first need to optimize and personalize their digital strategies. The vast majority of physicians surveyed (67%) prefer to access clinical and prescribing information through digital channels. This increases to 80% for newer physicians. They cite time and availability as well as ease-of-use as the primary factors influencing the move towards digital, while 40% believe that digital media offers the most relevant and personalized content. These reported preferences were equal across physicians practicing independently and those in organized systems. The common theme is that physicians want to access information on their terms, when and how they want it. The perceived value of pharma content increases when it is customized to meet physicians’ needs and preferences.

Second, pharma has an opportunity to evolve the role of the sales representative from promulgators of product safety and efficacy information to brokers of information and resources that complement what a physician wants and needs to know to make informed treatment decisions. Rather than viewing the sales representative as the primary channel for delivery of a professional marketing plan, the sales representative can function as a credible “hub” of information, coordinating physician resources across multiple channels.

Over half of the physicians in our study believe the primary role of pharma representatives will emerge as a coordinator or director of multichannel information resources.

**In the future, what do you think is the most valuable role for a point of contact with a pharmaceutical company (e.g., sales representative, account manager, etc.)? (N=2,982)**



The majority of physicians in the study also expressed interest in and a willingness to engage with sales representatives through virtual platforms. The linkage of digital and in-person assets as complementary marketing approaches will require more knowledge of which content is best delivered across channels. Despite prognostications of their demise, we absolutely do not see sales representatives headed towards extinction, as 85% of physicians see a future role for them, but not in the way they have interacted in the past. Instead,

enabling physicians to access information that aligns with their preferences will deliver more value and create better rapport and “trust” between sales representatives and physicians.

Finally, it is imperative that marketers remain mindful of the intended target and the appropriateness of the selected channel and content for that target. For example, though most physicians report a preference for digital media, this will not hold true for all customers, as in-person interactions came in a close second for more experienced physicians. Our study did uncover some general trends regarding the information physicians prefer to receive through various channels, including:

- Clinical/medical and product information through digital media
- Physician resources (e.g. reimbursement support) through a phone link
- Patient educational materials from an in-person representative

However, it is important to note that each physician will be different, and therefore require a personalized mix of channels and content. The only way for pharma to truly understand customers’ needs and preferences and employ an effective multichannel marketing strategy is to ensure a robust analytics engine is in place across all channels that will “close the loop.” The data captured will help pharma make informed decisions to deliver the right content, through the right channel, to the right customer.

## **Keep Evolving**

Pharmaceutical marketing is at a critical juncture in determining how product messaging can be delivered effectively in a world that limits direct access to physicians. The good news is that pharma has the ability to adapt to changing customer needs by incorporating analytics into their multichannel strategy. By adjusting to the new physician landscape and aligning with the preferences of today’s physicians, the opportunity to build and sustain deeper and more engaged physician relationships is plausible.

This transformation requires pharma to embrace a marketing model that utilizes the sales force in a different way. Instead of the traditional rep-centric approach, pharma has the opportunity to transition to a truly integrated multichannel marketing strategy that is defined by the needs and preferences of physicians. In order to do so, pharma will need to increase their digital reach and frequency across multiple channels, implement the back-end analytics that leverage big data to gain customer insights, and reposition their sales force as the hub that coordinates information across all platforms. Moving forward, attention must also be paid to the emergence of new technologies that may open up additional communication channels and opportunities to increase physician interaction.

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<sup>1</sup>*The Personal Touch in Digital Promotion*, Pharma Executive, May 2012

<sup>2</sup> Federation of State Medical Boards, 2011