

GETTING INTO THE

details OF e-detailing

E-DETAILING IS SLOWLY BECOMING AN ACCEPTED MEDIUM

FOR BRINGING NEW INFORMATION TO PHYSICIANS. AS PART

OF AN OVERALL INTEGRATED E-COMMUNICATIONS

STRATEGY, *e-detailing holds the promise for building better relationships with prescribers and other healthcare practitioners.*

imagine a world where the doctors carry a tablet PC that is wirelessly connected to the Internet. They can gather the clinical information they need when seeing patients. They can look at their sample quantities and other information for managing their practice. The data are integrated with their own networks so they can see patient records and patient notes. They can automatically transmit prescriptions to a pharmacy. And they can participate in detailing efforts through this system.

That world is coming. Electronic communications systems are expected to change physician practices and will impact how they receive information and how pharmaceutical companies market their products. Eventually, e-detailing and other electronic tools will be integrated with traditional marketing tactics to create a seamless flow of information to physicians and other stakeholders.

The U.S. market for electronic detailing has grown to more than 200,000 practicing physician users in 2003 and has a retention rate among physicians of 84%, according to Manhattan Research. Roughly 110,000 additional physicians express at least some future interest in e-detailing.

A Forrester Research survey of 1,820 physicians who have participated in e-details revealed that early adopters find value in the content they receive from e-details, write

thomas rogers

LARGER BANDWIDTH AND INNOVATIVE TECHNOLOGIES will create a more interactive and engaging experience for the participant.



more scripts as a result, and plan to continue participating in e-details for the foreseeable future. Despite their reputation as technophobes, physicians are generally more optimistic about technology than the average American. Early e-detailing adopters use computers regularly, especially at work. In fact, 95% of e-detailed doctors use a computer at work, compared with 88% of all online physicians. And 86% of e-detailed doctors report using a computer at home on a daily basis, versus 64% of all online physicians. Also, e-detailed doctors have higher rates of eCME course completion and are more likely to use electronic devices for prescription writing.

E-detailing is evolving. Pilot programs are expanding and some pharma companies are starting to incorporate e-detail programs with e-sales and e-marketing. E-processes strategically fit into this bigger category of using technology to better manage the relationship with the physician.

But the implications for e-detailing go beyond providing physicians with information. Companies have started to consider its use for other audiences, such as nurse practitioners and physician assistants. E-detailing may even have applicability in providing information to pharmacists and diagnostic and surgical professionals, as well providing an avenue for representative training.

Achieving results with e-detailing requires companies to pro-

vide value to physicians, including eCME, e-sampling, and online forums.

OIG and PhRMA guidelines have taken away the monetary incentives for physicians to participate, which has created a challenge for pharmaceutical companies. Manhattan Research finds that physicians still expect payment for their time, about \$28 on average across current users. Pharma companies can still provide value in the form of back-end awards for medical books and other supplies.

A recent IBM report found that although e-detailing targets factors that are important to physicians — such as time, privacy, and objectivity without disrupting their daily routine and compromising the quality of patient care they provide — there are still some lingering questions as to whether physicians will adopt this detailing model. Most physicians continue to appreciate the personal touch that traditional detailing affords.

To address these challenges, IBM says pharma companies must leverage the trust factor, building sources of information that are trusted by physicians and impact their decision-making into their e-detailing model. New sales channels, such as physician portals, can include information from a variety of trusted sources. By combining these resources with company literature into one sales channel, the company can offer a complete picture of a given drug in one central location.

THE DETAILERS

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don paullin

E-detailing is a powerful method for getting a brand message to a physician, and it helps the doctor with his or her No. 1 problem: KEEPING UP TO DATE WITH INFORMATION ABOUT DRUGS.

E-Detailing Opportunities

DEON. E-detailing is growing as part of the entire marketing mix for the various pharmaceutical companies, largely because it has demonstrated a significant ROI with the pilot projects that have been running. It's a matter of scaling up and having enough confidence in one particular vendor to outsource all of their e-detailing initiatives. What we are witnessing in the current market is that many companies have done e-detailing projects, but very few have actually decided to make it a permanent part of the marketing mix.

POLLOCK. If we look at the budgetary numbers that are spent across the industry, e-detailing accounts for less than 1% of the entire promotional and marketing sales spend that the top 10 pharmaceutical companies execute today. Companies are not backing away from strategies that they perceive as far more critical. For example, they remain committed to their direct salesforces and all the promotional efforts that support the salesforce. Salesforce numbers have quadrupled in the last 12 years. There are now in excess of 90,000 sales reps in the U.S. market. Essentially, there is one sales representative for every eight

E-Detailing Early Adopters Use Computers Daily for Both Business and Pleasure

	E-DETAILED DOCTORS	ALL ONLINE PHYSICIANS
Use of computer at or for work	95%	88%
Use a home computer daily	86	64
Go online for work-related reasons	99	85
Go online for personal reasons	100	98

Source: Forrester Research Inc., Cambridge, Mass. For more information, visit forrester.com.

physicians. It is very difficult for companies to back away from that investment.

PAULLIN. I was involved with one of the first e-detailing programs back in 1996. For the program, 75% of the doctors participated by phone and 25% via the Internet. In just a few years, this trend reversed: 75% participated via the Internet and 25% by phone. Since then, we have dropped the phone component and solely use the Internet. The first physicians participating in e-detailing were early adopters of Internet technology. We timed them and we knew how much time was spent on the phone versus the Internet. The doctors participating via the Internet completed the detail in about half the time: the average interactive detail over the phone took about 18 minutes, while the same detail via the Web took eight to 10 minutes.

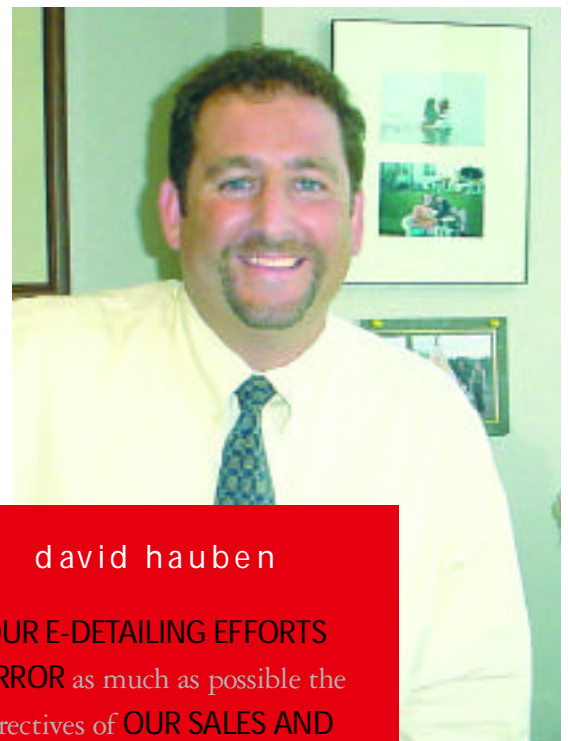
BHAN. Historically, 20% of a brand manager's budget is discretionary. Two years ago, e-detailing was within that 20% discretionary spending. Companies were doing pilot programs. But today, across every major pharmaceutical company, there is a new trend: about half of the companies now have e-detailing as part of the planned budget. E-detailing is being strategically integrated with other strategies.

HAMMOND. Companies are embracing e-detailing this year much more aggressively than we imagined. We conduct an annual survey of our clients and two years ago we saw the beginning of this trend toward increased use of e-detailing. Clients surveyed are now ranking eCME and e-detailing as a higher priority than their consumer brand sites. This is surprising because in my experience, clients have continued to view the Internet as primarily a consumer medium. Clearly, the opportunity to target physicians online has been undervalued for the last several years. I think e-detailing finally has been shown to provide pharmaceutical companies with a real opportunity to

leverage the Internet to reach professionals in a very powerful way.

ROGERS. There are a lot of factors inherent to the growth and acceptance of e-detailing. The limited time pharmaceutical companies have to reach their healthcare professional targets on a regular basis is a primary factor. E-detailing is another channel that allows pharma companies to provide access to key messages at the convenience of the physicians; e-detailing can also be integrated into the ever-changing mix of pharmaceutical marketing tactics.

HAUBEN. There are two ways to look at e-detailing. Some companies may want to try this across all of their brands, while others may want to determine how this channel specifically meets the needs of some brands. Different brands are at different stages of their life cycle. We try to determine how technology can be applied across a product's entire life



david hauben

OUR E-DETAILING EFFORTS MIRROR as much as possible the directives of OUR SALES AND MARKETING ORGANIZATIONS.

cycle. At Aventis, for some brands, we are still in the pilot stage. For other brands, we have moved more toward integration and have done a good job. This is the next logical step after piloting, to begin to integrate e-detailing into sales and marketing.

PAULLIN. At first, pharmaceutical companies weren't interested in e-detailing. E-detailing almost had to be offered free on the Internet because companies didn't believe that doctors were using the Web. Companies only paid when the doctors went through the program. So we had to share the risk in the beginning, but that changed after the first two years.

PEERSCHKE. Bain has found that e-detailing is growing in use for a number of reasons. The first is that e-detailing can help strengthen existing relationships with doctors or physician practices because this is another way of reminding the physician about a product. The second reason has to do with the end of the best of times for the blockbuster model. There are 90,000 industry reps chasing 400,000 prescribers; the number of reps has doubled from 45,000 in the past five to six years. This arms race can't continue. So how can companies gain access and get share of voice and share of mind of the lower-prescribing physicians? A great channel to achieve this goal is through e-detailing. It is a lower cost option, and it gives reps the opportunity to call on the physician and keep a product message fresh.

PURCELL. One of the benefits of e-detailing is that it provides control and convenience to doctors. Our metrics show that about 70% of the e-details physicians completed were viewed outside traditional office hours. An e-detail, which lasts eight minutes to 10 minutes, enables representatives to focus more on the delivery of new information, making their time on a sales call more effective. E-detailing also gives physicians an opportunity to provide feedback to help companies address specific needs. By taking the time to understand what physicians' needs are and delivering information in a manner that respects their busy schedules, companies can enhance their relationship with them.

HAUBEN. Gaining access to physicians is a challenge. Physicians may not have as much time to spend with sales reps and at times the quality of those interactions is not what we would like them to be. Physicians want information from pharmaceutical companies, but on their schedule, not necessarily when our reps are there to see them. E-detailing can enhance our interactions so that companies can



elgar peerschke

THE USE OF E-DETAILING WILL GROW as economics continue to require physicians to see more and more patients and there is less face time with sales reps.

provide physicians with what they want, when they want it, and how they want it, and hopefully improve access, time, and quality of interactions for both the company and its representatives.

DEON. E-detailing provides an avenue to improve the detailing process and the quality, so ultimately the physician can be more effectively influenced in terms of his or her prescribing habits. Through e-detailing, a physician can be provided with high-quality information in a convenient interactive way. Typically, we are witnessing that e-detailing sessions tend to run a bit longer, about 10 minutes or so. In addition, the quality of information that can be provided in a longer span of time through the interactive media is greater so the effectiveness of the detail is greater as well.

PAULLIN. E-detailing is a powerful method to get a brand's messaging to a physician and to help the doctor with his or her No. 1 problem: keeping up to date on drugs. Thus, e-detailing helps in compliance and patient care. E-detailing, through its communication and dialogue properties, also strengthens the relationship between the company and the physician. Since pharmaceutical companies also incorporate their brand logo and company name as part of the detail, doctors tend to bond with those companies.

PEERSCHKE. E-detailing can take a number of forms. It can be the rep detail done elec-

tronically. Or it can be a Webcast for five or 10 physician-practice groups. Companies may do a Webcast during lunch featuring a key opinion leader who shares with the physicians his or her perspectives on the product, how it fits into the therapeutic area, appropriate use, and so on. This is another way of using the electronic medium.

BHAN. There are a couple of different flavors of e-detailing, depending on the specialty of the audience, the stage in the drug's life cycle, and the data that are available. Generally, the e-

detail is a five- to 10-minute interactive presentation of relevant information and typically has some degree of animation and involves voice narration. Because of the rapid spike in the number of broadband connections, between 55% and 65% of all participants have a high-speed connection. This allows for the creation of more engaging and richer programs.

HAMMOND. There are a variety of advantages to e-detailing. Of course, there is the opportunity for increased access to hard-to-see physicians. And there is the real opportunity to build relationships. As much as e-detailing is an opportunity to push messages to the physician, it also can be viewed as an opportunity to learn about each physician. If a brand manager can learn one thing about a physician during an e-detail that could be acted upon in the field, the relationship should be improved immediately. For example, a brand manager might learn about a physician's primary objection to using a given brand in a certain circumstance and then provide this information to the rep who calls on the physician. The next time that rep calls on that physician, his communication is going to be far more relevant than it would have been without that information. When physicians begin to see reps coming through the door with information that is this relevant they will begin to value reps again.

BHAN. When we talk to doctors, we get a lot of feedback that indicates they are losing control over much of what's going on around them. There are managed-care pressures, increasing numbers of patients, and less time to spend with patients. In a small way, one of the things that e-detailing does is provide some control and convenience to physicians. E-detailing allows physicians to gather the information they need from pharmaceutical companies on their own time. E-detailing allows them to decide what information they want



robert hammond

E-detailing, when properly planned and executed, CAN HELP PHARMACEUTICAL COMPANIES TO BE MORE RELEVANT TO EVERY PHYSICIAN within the context of the given e-detail and back in the field.

rather than being interrupted during their work day when they're trying to run a business or when they're trying to see patients.

VATS. E-detailing gives physicians more flexibility. This is not something they have to do during office hours. Many physicians who participate in e-detailing do so from home at night or on weekends.

Secondly, they can devote more time to the parts of the content that draw their attention. They can review the information, look at it again, and the detail does not depend at all on the quality of rep. The content and messaging has been thoroughly tested and reviewed and is presented as the pharmaceutical company intended.

POLLOCK. The notion that doctors are going in droves to a Website after they've worked all day to receive information about a drug is not true. We've got some work to do in the industry until that promise is fulfilled.

HAUBEN. From the plethora of research that Aventis has done, we know that about two-thirds of the e-detailing interactions that a physician does are either before 8 a.m. or after 5 p.m. This complements the times that a representative would be available to see them.

POLLOCK. We have found that doctors want up-to-date comparative clinical information that is balanced. And they want the information when they need it for their specific practice. Going to a drug company's Website for an e-detailing experience may not be effective for them. It's far easier for them to ask the rep or read medical journals. That is not to say doctors don't go to Websites; I think they do. But a

high-prescribing physician who sees sales reps is not going to go on a Website to repeat the experience he or she had with the sales person.

PURCELL. A 2002 study by the AMA concluded that 80% of U.S. physicians are online. E-detailing complex information about new indications or other available therapeutic options provides an opportunity for physicians to walk through the information at a comfortable pace and complements the sales reps' visits. Often those visits are under time constraints. It goes back to control; when we give physicians the opportunity to determine the information that is important to them, they may be more receptive to messages.

ROGERS. Physicians want information on pharmaceutical products, be it educational or promotional, at their convenience. Our experi-

ence has indicated that physicians are more likely to retrieve information via the Web on their own time — when they first arrive at the office, before they leave for the evening, or at home.

BARD. Over time, a group of physicians who really like e-detailing has emerged. There are some who will participate just when they need information, and there are some for whom e-detailing is the preferred way to get information. In terms of the growth rates, it's been static on the top line. There are not more physicians using it this year compared with last year. But what we are witnessing is organic growth, and that is a trend that has been increasing over time. For the physicians who use electronic detailing, they tend to be participating in more e-details, both in terms of engagement time and the number of e-details.

PAULLIN. Another advantage of e-detailing is the ability to address fair balance. Physicians get messaging, they get fair balance, and there is a mechanism to provide feedback, to ask questions, to request samples, and to request an appointment with a representative. There is a feedback loop to the pharmaceutical company and the representative.

BHAN. One of the other things that e-detailing does is extend the scope of the time the pharmaceutical company has to interact with physicians. Historically, interactions with doctors have been between 9 a.m. and 5 p.m. in the office. And then companies started doing dinner meetings and teleconferences. Metrics show that physicians participate in e-detailing for eight to 10 minutes, which is a fairly long interaction. Secondly, 70% of these interactions are outside office hours — including evenings, weekends, morning hours — when doctors have more time and are able to give their undivided attention to getting information about new indications, new studies, new data, and so on.

VATS. E-detailing is more efficient than other channels and can lead to companies being more responsive. Companies can take action very quickly. They can set up an e-detail very quickly and supplement other channels as well as the frequency and reach of the sales staff. E-detailing adds a very responsive dimension to a company's overall marketing mix. It also gives a company more control over content delivery. A company can create different messages and different presentations to specific physician groups and segments depending on



derek pollock

E-COMMUNICATION WILL BE DELIVERED VIA TELEVISION AND THROUGH THE INTERNET AS ONE INTEGRATED MEDIUM.

That's going to change everything, but it will take a few years to get there.

HOW EFFECTIVE IS E-PROMOTION?

AS E-PROMOTION EVOLVES, PHYSICIANS HAVE BEGUN TO INCORPORATE THIS TACTIC WITH TRADITIONAL PROMOTION. VERISPAN RECENTLY CONDUCTED A SURVEY TO DETERMINE HOW E-PROMOTION CAN BE MEASURED AND ULTIMATELY HOW EFFECTIVE IT IS. FOR THE ONLINE SURVEY, 1,004 PHYSICIANS WERE ASKED TO REPORT ON THEIR EXPERIENCES WITH E-PROMOTION.

KEY FINDINGS

Physicians ranked the availability of samples, face-to-face detailing, and promotional face-to-face meetings or live events as the top three influences on their prescribing behavior. The Internet is gaining influence, with online/e-events or meetings (symposia or CME) ranked fourth.

Growth in the power of the Internet is anticipated as more physicians go online for information. The majority (80%) of physicians reported using the Internet daily for any purpose, and about two-thirds use the Internet at least once a week for health research or information on pharmaceutical products.

The pharmaceutical industry is using the Internet to target physicians with e-promotion activities in various formats. Physicians can use pharmaceutical company-sponsored online programs to obtain CME credits, guide themselves through promotional sessions, and interact with sales reps and other physicians in live communication via the Web. According to Verispan's ePromotion Audit, the industry held more than 2.2 million e-promotion activities and spent \$212.3 million on e-promotion in 2003. Physicians are turning to e-promotion for an honorarium, the convenience of the forum, the topics discussed, and for CME credits.

TOP 10 CORPORATIONS IN E-PROMOTION EXPENDITURES IN 2003

	2003 E-PROMOTION	% SHARE
Aventis	\$25,096	11.8%
AstraZeneca	23,751	11.2
GlaxoSmithKline	20,763	9.8
Pfizer	14,294	6.7
Unspecified corporation	13,851	6.5
Johnson & Johnson	12,315	5.8
Novartis	11,985	5.6
Merck & Co.	11,198	5.3
Lilly	9,568	4.5
Tap Pharma	9,321	4.4
Schering-Plough	6,073	2.9
All Others	54,082	25.5
Total Market	\$212,297	100.0%

Note: Dollars in thousands

Source: Verispan, Yardley, Pa. For more information, visit verispan.com.

Physicians' perception of how e-promotion compares with face-to-face promotion has remained about the same since 2002, with almost one-third reporting that they consider e-promotion superior to face-to-face promotion.

Physicians cited honoraria and time constraints during practice hours as the top two reasons for adding e-promotion to face-to-face promotional activities; these were also the top two reasons cited for replacing face-to-face promotion with e-promotion.

Virtual details will likely continue to be the backbone of e-promotion activities, as more than half of physicians reported a preference for this type of e-promotion. The primary reason for this preference was the convenience of the forum. According to Verispan's ePromotion Audit, virtual details represented 59% of e-promotion activities in 2003. Participation in online events is also expected to continue, as one-quarter of physicians reported a preference for this type of e-promotion over virtual details

and video details. Physicians cited the opportunity for CME credits and discussions with colleagues as the main reasons for this preference.

CONCLUSIONS

- E-promotion is positively impacting physicians' prescribing behavior. Physicians who spent more time participating in e-promotion reported writing more prescriptions in an average week than those who participated less frequently.
- As physicians increase their participation in e-promotion, companies should continue to

offer e-promotion in conjunction with traditional promotional methods to reach the greatest number of physicians.

- The pharmaceutical industry has responded to physicians' needs by offering more e-promotion activities available at convenient times and that provide CME credits. Self-guided activities (virtual details) and activities offering CME credits (online events) represented 60% and 15%, respectively, of activities in 2003.

- The industry faces the challenge of providing the appropriate level of e-promotion activities and having physicians increase their participation. But the future of e-promotion appears to be bright, with the majority of physicians expected to participate in e-promotion activities increasing in the next six months.



david deon

**E-DETAILING SHOULDN'T BE
A REPLACEMENT FOR
PHYSICIAN DETAILING.**

Physicians don't want to lose
their interaction with the sales
rep, but they do want a more
convenient way to get
information.

what the interest is in the particular brand and physicians' needs. This is a very powerful tool because pharmaceutical companies can act on their segmentation by providing the right messaging for the right target.

PEERSCHKE. Over time, details to nurse practitioners will be different. Through e-detailing there is more time available to explain how a drug fits into a therapeutic class, how it compares with other drugs, and what the appropriate use of that drug is. There is only so much that can be done in a 90-second to 120-second detail. A nurse practitioner may be able to spend five or six minutes on an e-detail. Bain's assessment is that nurse practitioners are receptive to e-details. Patients ask them questions about products and they want to be able to answer them knowledgeably.

PAULLIN. Representatives have known for years that nurse practitioners are responsible for increasing drug usage of brands. Upper management at pharmaceutical companies is just waking up to this. In the late 1990s, physician assistants (PAs) and nurse practitioners (NPs) received their own DEA numbers. That means they no longer needed to have a doctor sponsor their prescriptions. They can write prescriptions on their own. In my opinion, the pharmaceutical companies that pay special attention to, and e-detail, PAs and NPs are going to find them highly receptive. This audience has been left out of the mainstream of detailing, which kept them from receiving current information about products. This is just speculation, but I

believe that it will create a very positive return on investment.

PEERSCHKE. Bain's scan of the market suggests that physician groups that employ a physician assistant or nurse practitioner after a patient's visit with the doctor to explain why the patient needs medication and how that medication should be used significantly increases compliance. This is anecdotal, but we can intuit why this would be true. If this trend holds, providing data on appropriate use of a product to a NP or PA is an important element. The data show that only 40% of patients continue medication after 12 months for some of the most chronic conditions. If pharmaceutical companies could increase that number to even 50%, that obviously would be a significant increase.

Impact on the Salesforce

HAUBEN. The role of the sales rep has been, and will continue to be, critical toward educating and promoting our products to our customers. But ultimately I believe the best use of e-detailing is to have it integrated with what the representative is doing and, in general, integrated within sales and marketing. Initially, what we witnessed early on were pilot e-details as a siloed tactic but the greatest value proposition is the integration with the representative. That integration can take a number of forms — helping companies target certain customers, recruiting or driving physicians into company programs, and as a follow-up activity to address information and/or requests from physicians. Ultimately down the line, representatives will have these tools and technologies at their disposal so that they will be able to leverage them to help them do their jobs better.

PURCELL. We view e-detailing as an extension of the relationship between our sales representatives and their physicians. With e-detailing, we keep physicians informed about the value a sales representative can bring to them and their practices. As a result, these doctors may be more likely to work with sales representatives to bring that value into their offices.

ROGERS. Representatives are embracing e-detailing, just as they accepted successful peer-influence programs, direct-mail programs, and convention initiatives. Pharmaceutical companies must involve their representatives in the "e" process in order for them to feel secure with nonpersonal marketing tactics and the related advantages e-detailing offers through its enhanced, preference-based messaging activities.

DEON. E-detailing can improve the effectiveness of the detailing process, and by improving the detailing process companies can increase the margins and the return on investment. Many sales reps are worried that e-detailing is going to replace their jobs. This is not necessarily the case, if e-detailing is used appropriately. E-detailing should be seen as a way for sales reps to provide additional services to the physicians they are detailing. With e-detailing, sales reps can glean more information about the physicians, and that information can feed into various CRM efforts that a pharmaceutical company is using. Ultimately, this information can help the sales reps because they can better understand the physicians they're speaking with and provide them with the necessary information.

PAULLIN. E-detailing and the representative detail complement each other. For a no-see physician, the rep can leave a card or an invi-

mark bard

**MANY PEOPLE LOST SIGHT OF
THE FACT THAT CONTENT IS
STILL KING. The content is the
compelling draw for physicians.
It's not about the technology.**



EFFECTIVE E-DETAILING FACTORS FOR SUCCESS

E-detailing is a supplemental tool that pharmaceutical companies can use to deliver product information and impact sales.

It uses Internet-based communications to provide a value-added marketing channel that services prescribers and complements a pharmaceutical company's salesforce activities. Companies' product information — efficacy, side effects, dosage, drug-to-drug interaction, and indications — can be communicated to physicians over a number of e-detailing platforms. For instance, telephone detailing enables physician participation through interactive voice recognition. Video conferencing allows the physician and the sales representative to interact in real time. Data-specific Websites provide the electronic details of drugs, while physician portals offer doctors a full complement of professional and personal services such as an online ordering capability for product sampling, continuing medical education, and e-mail. Web-based detailing also can include applications where physicians can exchange clinical ideas and information peer-to-peer.

E-detailing benefits pharmaceutical companies by cutting costs. An online sales session costs about \$110 on average, compared with an approximate cost of \$200 for a field representative's visit.

The increased contact time per virtual visit also saves marketing expenses, since physicians can access more information faster. Companies can use e-detailing to better control detailing content; the same content developed for use on the Web can also be used to train new sales representatives. Lastly, with the physician practice information that pharmaceutical companies can capture electronically through e-detailing use, firms can identify potential high prescribers for field representatives to target later.

INTEGRATING E-DETAILING INTO CRM STRATEGY AND EXECUTION

E-detailing is only one of many tactics needed to build a strong relationship with physicians. Therefore, it should be fully integrated into the pharmaceutical company's CRM strategy and execution and share physician information that is integrated across all corporate channels. For e-detailing to succeed, organizations must integrate sales activities and the information they gather — both electronically and in the field — into the company's marketing systems in order to present a united front in serving physicians.

UNDERSTANDING THE NEEDS OF PHYSICIAN SEGMENTS

Potential physician segment variables include age, specialty, practice size, location, prescription frequency, tendency to switch products, and the relationship with the field sales representative. Understanding each segment's needs and preferences is key to determining the right approach to e-detailing and offering the information and services that a particular segment values most. Companies should then measure the economic value of acquisition, retention, and growth, as well as the profitability of each segment. Physician segmentation enables companies to understand the mix of traditional and e-detailing tactics needed to best target different groups of physicians and hone in on the segments that will be the most profitable to them.

APPLYING E-DETAILING BASED ON PROMOTIONAL OBJECTIVES

In general, e-detailing can be used to fill in the gaps where traditional detailing falls short. E-detailing tactics should augment rather than replace the face-to-face approach. For instance, face-to-face detailing may be the best method for building awareness, enthusiasm, and mind share for new and future drugs. In the product-launch phase, companies can combine traditional and e-detailing methods to educate prescribers on drug features, build quick penetration, convert mind share to market share, and deliver samples to meet demand. Later, companies can use face-to-face detailing to increase the effectiveness of promotions by nurturing demand for the product, continuing to educate the market, and creating product preference and brand loyalty to capture increased sales in the product-growth state. Lastly, both traditional and e-detailing tactics can be used to build awareness of new indications, educate prescribers on new drug features, deliver samples to meet demand, and help companies enter new market segments.

Source: IBM Institute for Business Value, Somers, N.Y. For more information, visit us.ibm.com.

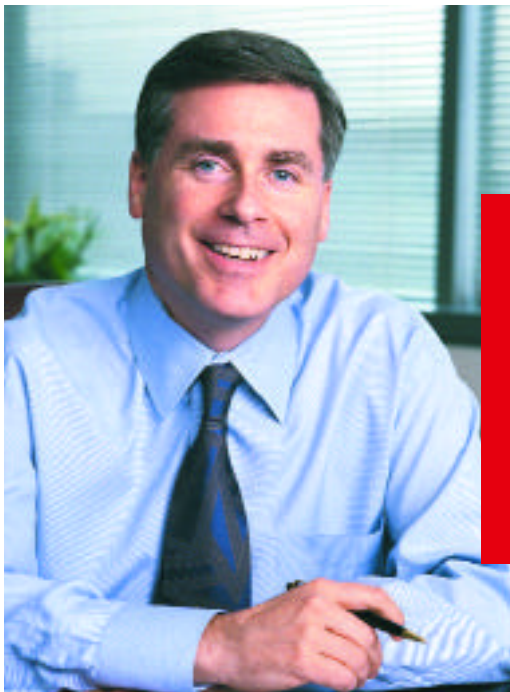
tation for the physician to participate in an e-detailing program. In this way, e-detailing is an ally to that physician and provides the sales rep with a feedback loop. The doctor can request samples through an e-detailing program. About 80% of the time, the doctors do request samples, which can then be delivered by the representative. The doctor also can request to see a representative. About 40% of the time, physicians who are offered these programs issue a request to see a representative. E-detailing in both of these instances helps the representative gain access to the physician. E-detailing is about bonding the representative to the physician and the physician's office.

PURCELL. Our research shows that our representatives are not against e-detailing. To achieve their full acceptance, however, we must convince them that e-detailing is an effective tool for building relationships with physicians. In addition, we must enable physicians to tap into the skills and experiences of our sales representatives through e-detailing. We can accomplish this by enabling physicians to reach representatives effortlessly and allowing representatives to understand the basic needs of the doctors.

HAUBEN. Early on, reps were skeptical. They were not sure why physicians would want to do these types of programs. Very quickly, they understood that these programs work. Physicians started participating in greater and greater numbers, and representatives have witnessed that e-detailing helps them gain access. It helps them have more time with doctors; it helps them potentially talk about more products; and it also helps them drive business. Their skepticism turned to one of interest and participation. The reps want to get more involved with e-detailing.

ROGERS. "E" initiatives should not replace face-to-face contact with physicians for the promotion of any product. Pharma companies should look to create a synergistic effort that includes both representatives and additional promotional tactics, for example, print or "e" messages, as part of a comprehensive and integrated marketing mix. E-detailing should not replace any existing efforts but should be used as a channel that increases share of voice. Providing these messages through various formats, such as print, Web, and face-to-face, ensures pharma companies that their messages will reach a larger audience.

PEERSCHKE. The better performing reps like e-detailing because it is another way that their product gets mention. There are data that suggest the number of times a physician is



andrew purcell

E-detailing is a cost-effective way to get new information into the hands of practitioners. IT ALSO ALLOWS US TO REACH PHYSICIANS WHERE THERE IS LESS THAN OPTIMAL SALES REPRESENTATIVE COVERAGE.

detailed directly influences the number of prescriptions he or she writes. The lower performing reps may be worried about being replaced. Because of the ratio of 90,000 reps to 400,000 physicians, over time there is a risk that e-detailing may replace some reps. In the short term, e-detailing will not replace a great number of reps.

PAULLIN. Representatives either have a love or hate relationship with e-detailing. Representatives who believe that e-detailing competes with them will tend to hate it. Representatives who are educated about e-detailing and understand that e-details help their territory sales and contain provisions for representative requests grow to love it.

HAMMOND. The concern has been that e-detailing competes with the field force, and early on that was probably a fair concern. More recently, we've seen e-detailing positioned as a complement to what the field force is doing. For the most part, e-details are currently being used to reinforce or augment the messages delivered by the field force. When field reps begin to see e-detailing used to obtain data that will make their field sales calls better, they will view e-detailing as a tool rather than something that competes with what they're doing.

Disadvantages and Challenges

POLLOCK. The return on investment and the promise that e-detailing held for pharmaceutical companies has not yet paid off. In the

long term, e-detailing holds great promise, but in the shorter term the pharmaceutical companies have struggled to engage their most valuable physicians in e-detailing events on a regular basis. Pharmaceutical companies had to incentivize them by providing CME credits, for example. Until programs are developed that overcome the tendency by physicians to choose the path of least resistance to get the information they need, they're not going to participate in droves.

PAULLIN. E-detailing cannot provide the warmth of the face-to-face relationship of the representative. The face-to-face relationship of the representative is always going to be a key factor with the physicians, the nurses, and the staff. But the representative has a difficult time delivering a 10-minute message to physicians. What e-detailing does is provide that 10-minute interactive messaging that the representative can't do.

PEERSCHKE. Because there is a lack of personal interaction with e-detailing, marketers are unable to read the body language of the physician. One of the big things in every detail is the close. The close can take a number of different forms in the pharmaceutical world. It could be a commitment on the part of the physician to write a scrip for that product. That is the ideal. It could be a commitment on the part of physicians to read an article the rep just provided them. That close is more difficult to achieve in an e-detail. Companies address this by asking the physician to respond by e-mail with any questions or another type of hook that makes it a two-way communication.

PURCELL. An interactive e-detailing presentation is not thought to be as strong or compelling as a face-to-face meeting with a sales representative. This can be turned into an

advantage if e-detailing is viewed as an additional tool to strengthen the sales representative/physician relationship and not as a replacement to it.

BARD. Physicians will not simply go online to look for information unless they perceive there is a direct value to them. There are many smart people who lost sight of the fact that content is still king. It's not about the technology. The technology offers many advantages. For example, the physician can log on at 6 a.m. on a Sunday. But at the same time, the content and the message ultimately have to resonate with physicians.

HAMMOND. One of the concerns is that most companies approach e-detailing as a one-size-fits-all solution. Brand teams typically create one version of an e-detail and everyone gets that version regardless of their interests. We're beginning to see versions being developed that are specific to a physician specialty. And that's a good start toward making e-details more relevant. But clearly that's only step one toward the goal of taking advantage of the opportunity to personalize the message for every physician.

BARD. There is a big difference between primary-care physicians and specialist audiences. There are tactics that are very successful for a PCP audience but when duplicated for a highly specialized sub-segment of physicians there may not be the same response rate. Sometimes companies learn this the hard way.

HAMMOND. One of the challenges that all pharmaceutical companies have is providing relevant information to the physicians they are detailing. I think that e-detailing, when properly planned and executed, can help brand teams to be more relevant to the physician both within the context of the given e-detail and back in the field. We know that the majority of physicians, in most specialties, have at least experimented with e-detailing. Research shows that the incentives being offered to participate in e-detailing are attractive. But, if the incentives are taken away will physicians still want to participate? Providing more relevant information is part of the answer to this concern. But we should also consider increasing the educational value of the e-details and avoiding the tendency to deliver only very promotional brand messages.

BARD. OIG regulations had a big impact on e-detailing. There were a lot of physicians participating in e-detailing because of the money that was being offered. The industry created this problem. Companies were offering between \$45

and \$60 to physicians to participate in a five-minute to seven-minute e-detail, and physicians came to expect this. There were physicians who said they wouldn't participate unless they got paid. What was fascinating was that they didn't stop using e-detailing once the compensation was taken away. Companies are now offering alternative reward systems where physicians can build up points for medically relevant gifts or some other type of reward on the back end. This provides value to the physicians beyond a monetary stipend. Last year was a scary time for many vendors who thought they would lose half of their audience. That didn't happen. This is good news for e-detailers. It is also good news for the pharmaceutical industry in that physicians are accepting e-detailing because there is enough value being provided to offset the need for compensation. If the only reason a doctor would participate is because companies were paying him or her, we have to question the value of that doctor's relevance to the program.

VATS. E-detailing is not appropriate for every product. Before companies embark on an e-detailing program, they have to look at the various aspects of the brand, including the brand's characteristics, the current level of detailing, the specialists being targeted, and the type of information that already exists about the product. For certain brands, where there is something very interesting or new to talk about, e-detailing is very well received and physicians perceive it as a positive event. This improves the overall image of the company, and physicians are likely to be more open to talking to the reps.

BHAN. There are some situations where e-detailing is not the right tactic to employ; for example, e-detailing may not be appropriate when there is nothing new about a product. Some people get excited when they think they can spend 10 minutes with a physician, but they are probably doing a disservice to offer an e-detail for a 10-year-old diabetes product that has no differentiation and no new data or research or indications. This approach will probably annoy physicians more than drive any benefits. The e-detail needs to be tailored to the product and the audience.

VATS. While invitations can be pushed, e-detailing itself is a pull channel. An invitation is given to the physician, and the doctor has the choice to look at the information or not. If the product is in an established category where there is very little new information flowing in, there is always the risk of the physician not responding at all. For those types of brands where the value to the physician is not there, companies risk running unsuccessful e-detailing programs.

Costs and ROI

PAULLIN. There are about 10 different types of messaging outlets that are commonly used by companies, everything from teleconferences to dinner programs to celebrity programs to CME programs. E-detailing happens to be one of those top promotion activities that often works in terms of ROI. Costs can be differentiated into three basic areas to help brand teams better



vikas vats

ONE OF THE PITFALLS OF E-DETAILING IS TO USE IT FOR A BRAND THAT ALREADY IS WELL DETAILED. If there is very little new information and little value to the physician, there is always the risk that the physician will not respond.

gauge a program's ROI. For instance, below \$200 is considered a low-cost item and that helps toward a positive ROI. Anything between \$200 and \$500 is a medium-priced program. Anything above \$500 is



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PHARMACEUTICAL COMPANIES CAN GET MAXIMUM ROI FROM E-DETAILING when they integrate their online marketing efforts with their sales efforts.

categorized as a high-priced program. Promotional activities in any one of those areas can create a very positive ROI. One of the main reasons why promotions fail is that the cost per physician is too high. E-detailing represents about 20 minutes interactive time per physician for less than \$200 and may be considered as a low-priced promotional event. This may help it deliver that positive ROI that make brand teams heroes with their VPs of marketing.

PEERSCHKE. It is easy to do the ROI that determines how much it costs per day, per rep, per sales call. The cost of doing something electronically is pretty minimal once the setup costs have been amortized. The real question is how effective is the detail. This is the question all pharmaceutical companies are asking. Bain's research on the traditional detail model reveals that of every 100 details, four to eight are actually recalled by the physician. That is a fairly low yield. I have not seen a robust ROI analysis done for e-detailing, but all the indications are that if companies could reach physicians who are low prescribers or reach physicians who are not being detailed by reps, there has to be a positive ROI.

BARD. The key measurement for pharmaceutical companies at the end of the day is how many pills were sold. The challenge is to isolate the impact of the different message channels on this metric. Physicians are confronted with many different types of sponsored messages, from CME programs to journal advertisements to DTC advertisements. E-detailing is just one part of that mix.

HAMMOND. Surprisingly, brand teams are looking at the ROI of e-detailing programs very aggressively. This is unfortunate given the relative ease of evaluating the ROI of e-detailing versus other activities. We can track whether a physician participated, when he or she participated, and how much time he or she spent with an e-detail. If we assume that expo-

sure to other tactics is held equal, it is possible to evaluate a change in prescribing behavior and relate that to exposure to an e-detail. Clients, in my experience, aren't taking full advantage of the opportunity to evaluate the ROI yet, but we're starting to see more movement in that direction.

BHAN. Pharmaceutical companies can get the maximum ROI when they integrate their online marketing efforts, including e-detailing, into their sales efforts. One brand objective is to increase

the number of interactions between the sales representatives and the physicians. The use of an e-detail can generate as many as three interactions for a sales rep.

VATS. In the last two to three years, some of the players were over capitalized and were providing e-detailing services below cost just because they had a lot of money in the bank. Some of these e-detailing companies have gone out of business. E-detailing now is coming to the right price point and the industry is learning to better evaluate and understand its ROI.

The Future

BARD. There likely will be a shakeout where there will only be a handful of core e-detailing vendors.

DEON. Adoption of e-detailing will ramp up. It is just a matter of changing the paradigm of what e-detailing is, and that will include evaluating e-detailing on a greater scale. Slowly, but surely, there is going to be a market shakeout. Some vendors will rise to the top and they most likely will be the vendors of choice.

BHAN. One trend is integration. Pharmaceutical companies are trying to determine how to tie e-detailing in with the salesforce, how to create an overall better experience for the physician, and how to make the rep more efficient. This is driving significant improvements and changes to the physician experience. Because of increased broadband availability, there will be many ways to make programs more engaging, more interactive, and more educational. We now have the ability to cater to physicians in terms of what they want to learn and how they want to learn.

POLLOCK. The pervasiveness of broadband is going to help the pharmaceutical industry as a whole. Not all physicians yet have broad-

band access in their offices and homes. Participating in an e-detailing program over dial up is painful. As sales rep coverage strategies change there is an additional opportunity for e-detailing. And as we can begin to understand the physicians' practice and their attitudes and beliefs toward their patients and the problems they are solving, we will see more tailored specialized experiences for different physicians.

VATS. Pharmaceutical companies will become more focused on targeting and segmentation as they integrate e-detailing with all the other technologies and traditional marketing channels.

POLLOCK. Pharmaceutical companies are starting to equip their salesforces with Tablet PCs to digitally promote products. Once all the marketing materials are digital, then companies can coordinate the salesforce's activities with Web-based tactics, and that's going to be one of the key things that changes everything. Instead of buying laptop computers for the salesforce, pharmaceutical companies are buying Tablet PCs so sales representatives can carry e-detailing experiences to the physicians. When fully adopted, this will be a tremendous change. In the next 24 months to 36 months, far more doctors will be participating in e-detailing experiences on a regular basis to get what they need. E-detailing will be coordinated, integrated, and tailored for their environment; easy to use; and become a natural part of the way business is conducted.

ROGERS. As technology continues to advance, larger bandwidths and newer technologies will allow companies to provide enhanced interactive sessions — more multimedia, more streaming videos, and more collaborative interactions.

POLLOCK. The big advertising agencies and the brand teams are starting to pay more attention to the digital world. The two worlds are starting to combine, but this will take a little bit more time to happen. Ultimately, there isn't going to be a specialty e-detailing agency and a regular agency. There will be one big agency that's doing everything for the brand. All of the pieces — e-detailing, direct-to-consumer advertising, dinner meetings, and so on — will be integrated with the rep. We're just starting to see this evolution. ♦

PharmaVoice welcomes comments about this article. E-mail us at feedback@pharmalinx.com.