

Life after

the

FOCUS GROUP

With newer, more cost-efficient methods for gaining customer insights on the rise, the use of traditional focus groups within pharma faces a decline.

Using our own form of qualitative research, *PharmaVOICE* polled several experts in the field to determine the extent to which the use of the market research focus group is on the decline.

Our definitive answer: **it all depends.**

IS THE FOCUS GROUP DEAD OR JUST DECLINING?

While some people say the focus group is dead, others say it will never entirely disappear. Their opinions hinge on what position they hold in the market research process and what objective the research is trying to meet (turn to page 32).

Six years ago, Tom “TJ” Scott, director of new practices and corporate analytics/commercial insights at AstraZeneca, was working on a brand team, and at that time he regularly used focus groups for early-stage market research.

“Clearly, there are reasons to have an in-person focus group when evaluating creative pieces, working through what’s the right color, or determining how the message comes across to the customer,” Mr. Scott says.

When he moved into the innovative new practices group, the objective for market research also was changing.

“We began looking at broader concepts, getting reactions from doctors and trying to avoid peer bias that occurs when sitting next to someone in the same room,” Mr. Scott says. “So, for me, the in-person focus group is antiquated.”

Mr. Scott’s group has been successfully using WebEx conferencing to conduct online focus groups for the past four years.

“In-person focus groups still definitely work for the very early stages of development, when we want to see a face and use facial reactions as a cue to probe more, but unless we need to see facial reactions, I don’t know why else we would do traditional focus groups.”

Mr. Scott’s story sums up the complexity surrounding the focus group debate. For almost a decade, across all industries, there have been reports that the focus group or the in-person interview may no longer be the best option.

According to Matthew Carpenter, executive director, customer and competitor insights, Wyeth, the focus group is alive and well in pharma market research; however, what he has observed is that there are now many more options available to meet varied market research objectives, and researchers should be fitting the tool to the need.



ROGER GREEN

ROGER GREEN AND ASSOCIATES

NOTHING PREDICTS BEHAVIOR LIKE BEHAVIOR, and simulating behavior in online surveys and virtual communities is the next best thing to reality.



DR. DEBRA KOSSMAN
NATIONAL ANALYSTS WORLDWIDE

SPEED, ECONOMY, AND MORE ACCURATE REPORTING OF ACTUAL BEHAVIOR

are overwhelming benefits of the newer research methods.

“There have been a lot of technologies and new approaches added to the pharma toolbox over the past five years, such as ethnography, patient/physician, and emotional research,” he says. “The focus group may be dead in certain situations but the overall consensus is that it’s not. It still has an important place in research, and choosing which method to use goes back to what needs to be accomplished.”

The point of focus groups, from the very beginning, is to gain insights that will help position products, says S. Kent Stephan, CEO of Princeton Brand Econometrics.

“Focus groups were conducted back in the day to try to pick up insights that would generate more business than if the PI sheets were just sent out,” he says. “What focus groups and other qualitative techniques are really good at

— and nothing else can replace them — is gaining insights to help position a product.”

Mr. Stephan says he is concerned that the industry is moving away from this type of research as a way to save money.

“There seems to be an overemphasis on cost savings, and now companies have buying groups that are making the decisions on what research is to be done, as though it were a commodity,” he says. “In our forecasting work, we have metrics that show a well-positioned product can beat the PI sheet by as much as 30%, given the same level of promotion. So saving a few bucks in the beginning can easily cost many millions over the life of the brand.”

Cost is not the only factor involved in the decline of focus groups, says John Tapper, Ph.D., CEO of Ziment. According to Dr. Tap-

per, the focus group has not been a dominant form of market research in the pharma industry for quite a while, for a number of reasons. One reason is that effectively monitoring a large focus group requires skills and experience that not all moderators possess in the beginning, which results in the conducting of more one-on-one interviews.

“In the early days of healthcare market research, there were a lot of inexperienced people who were not formerly trained to be moderators,” he says. “Therefore, it was a lot easier for the inexperienced marketers to control one-on-one interviews, so these became popular. Then these formats became the default.”

Debra Kossman, Ph.D., senior VP at National Analysts Worldwide, has a similar observation.

“Focus groups are not completely going by the wayside, but the business questions driving research these days are often better answered using other available techniques,” she says.

S. KENT STEPHAN
PRINCETON BRAND ECONOMETRICS



Qualitative research is really good at —
AND NOTHING ELSE CAN REPLACE IT —
gaining insights to help position the product.



MATTHEW CARPENTER, WYETH

THE CHALLENGE WILL BE DESIGNING AND INTEGRATING AN ACCURATE FOCUS GROUP TO GET A 360-DEGREE VIEW of the product and make it appealing across multiple decision makers.

All of our experts report a greater use of triads or one-on-one interviews, referred to as IDIs, over the more traditional method of gathering a large number of people in one room and interviewing them as a group. Two driving factors for this trend are cost and need.

“One-on-one interviewing is not particularly new, but it seems to be the dominant practice in the industry,” Dr. Tapper says.

Mr. Carpenter agrees that the trend has been toward more triad research with only two to three physicians as opposed to six to nine in a group.

“These are very effective sessions, especially if the disease is treated by multiple specialties,” he says. “Bringing two or three specialists together to talk about case studies and introduce one or two patients into the discussion can be very valuable, maybe more so in person than online.”

Wes Michael, executive VP, research excellence, at TNS Healthcare, believes face-to-face focus groups remain a useful research technique; they have their place, especially when group interaction and idea generation help shed more light on treatment areas.

He says the IDI tends to be used more often in pharma research now, for several reasons.

“Many questions require an individual response — for example, a response to a mock detail aid or new product profile — mirroring real-world situations, rather than a group response,” he says. “And more and more research is conducted among harder-to-recruit respondents where it is not always feasible to gather several respondents at the same place on the same day and time.

“In addition to standard questions and answers, it is extremely useful to measure commitment — not just what physicians will prescribe and patients will request, but how committed they are to their current medications, which helps predict whether they will stick with the product in the face of new introductions, competitive generic entries, etc.,” he continues. “Because commitment is an attitudinal measure, rather than a behavioral measure, it lets companies predict future prescribing, rather than just look back through a rearview mirror at past actions.”

DRIVERS RESPONSIBLE FOR CHANGING THE FOCUS GROUP DYNAMIC

One of the drivers for the decline in use of focus groups is the shift in marketing focus, but Dr. Tapper cautions against abandoning the focus group entirely. Marketers have been focusing on gathering in-depth information on a more personal level, but they may be missing the commonalities that show up in larger group settings. Since the data collected from large groups of doctors or patients uncover what is shared across the group, and not the individual, marketers tend not to use the data from a focus group.

“Sometimes this may be the correct approach and sometimes it is very short-sighted,” Dr. Tapper says. “Generally, the industry markets to groups of patients and groups of doctors, and finding out what they have in common can be a really good insight.”

Market researchers also are seeking more process research, data that cannot be collected efficiently in a focus group, Dr. Kossman says. In this case, a decision maker or prescriber is asked to go through the steps of diagnosing, treating, and following up with patients. As so-called buying process research has become a larger proportion of all market research projects, the need to rely on individual interviews has increased.

“At times, there is a research need that doesn’t lend itself to a group discussion,” she says. “I think this is the main reason for the shift away from the focus group.”

That being said, cost is still one of the biggest drivers behind the drop in the use of the focus group, our experts say. Post-9/11 travel restrictions and overall travel cuts have required researchers to find new ways of gaining insights without transporting people to a central area.

“Online video is a way to interact as realistically as possible without having to travel,” Dr. Kossman says. “Marketers are attempting to do as much as they can within tighter budgets, and reducing travel costs helps.”

Mr. Scott from AstraZeneca says cost-containment measures across the industry have forced many brand teams to be open to new methods.



DR. JOHN TAPPER, ZIMENT

THE FOCUS GROUP HAS NOT BEEN A PARTICULARLY POPULAR METHOD of generating consumer insights into healthcare for quite some time.

“To reduce travel costs people had to figure out a way to get the job done without traveling,” he says. “Now, no one has to go to Baltimore, or Dallas, or San Francisco, and we can conduct the interviews from anywhere — even my kitchen. This access was an initial driver for me, but now that I have discovered how great online works, I am convinced that I am not missing anything by not having in-person interviews.”

VIRTUAL TECHNIQUES ON THE RISE

Roger Green, CEO of Roger Green and Associates, notes that it is natural for industries feeling the pinch to shift away from large quantitative studies that devote extensive analysis and lots of research dollars to answering a single question. Instead they gravitate toward less-expensive qualitative information for single questions and syndicated research for simple numbers.

“A better strategy may be to mix and match specific research elements that can be modeled to represent how the world works more accurately,” he says.

For example, Mr. Green says a market simulation technique where physicians are asked to treat members of a virtual pool of simulated patients — complete with medical charts — can produce better results. Researchers can build a data set of 2,000 to 3,000 simulated



WES MICHAEL, TNS HEALTHCARE

NO TECHNIQUE IS THE OVERALL BEST TECHNIQUE. The key is to apply the best techniques to the business issue.

can put doctors in a diagnostic mode with a virtual patient with virtual charts and they can simulate what they do every day; however, the important aspect is that researchers can stop them at any time and question them about their motivations,” Dr. Tapper says. “This can’t be done in person or over the phone.”

Researchers have long been posting product materials on a Velcro board at a central facility to test doctor and consumer reactions, and now this can be done online much more efficiently with what Dr. Tapper calls virtual Velcro or whiteboards.

“Moving the materials around online is very engaging for doctors, and the benefits are substantive, intelligent results,” he says.

Blog monitoring is also on the rise, with more clients requesting methods that tap into patients and what they say to one another when they are not in a research setting. The information received from the blogs is not

Target PharmaVOICE Readers

with your DIRECT MAIL or E-MAIL Marketing Campaign



- ▶ **35,000+ direct mail addresses**
- ▶ **60,000+ E-mail addresses**

To rent the PharmaVOICE mail or e-mail list, call 215-321-8656 to speak with Marah Walsh, (mwash@pharmavoiced.com).

Read. Think. Participate.

www.pharmavoiced.com

only better, but it's different from the survey answers, Dr. Tapper says. Via a blog, patients talk to one another about what occurs to them in the moment as they go through their treatment regimen or research a disease.

"These 'dialogues' have the authenticity of an actual conversation, which is particularly great when researchers are seeking the emotional triggers for decision-making rather than using a projective technique," he says.

Mr. Michael says it is also essential to measure emotional response, not just rational response.

"Even physicians make decisions based on emotion," he says. "A series of questions in qualitative and quantitative research that gets beneath the surface and uncovers the emotional reaction to treatments and brands, etc., adds richness of insight on top of the necessary but standard questions."

Handheld electronic means for capturing information, such as a video diary, is another innovation that provides more accurate reports than traditional methods, Dr. Kossman says.

For example, she says it's now possible to beep doctors and ask them: "What are you doing right now? What prescription did you just write? Why did you write it? What type of patient did you write it for?"

"Video diaries are much more convenient and less costly than the cumbersome diary studies of the past," Dr. Kossman says. "Another major benefit to digital diaries is the ability to gather real-time, actual behavior, rather than people's memories of what they think they did. This aspect allows us to have greater confidence that what respondents are telling us is accurate. I can't say this has led to a big difference in the conclusions we draw, but it has led to greater confidence in those conclusions, and it allows us to talk to fewer people because we have more confidence that the information we receive is accurate."

Another new research technique Dr. Kossman supports is online chat rooms. This is a very cost-effective and rapid way of getting feedback from customers. It is very useful when a quick turnaround is necessary and for companies that have small budgets.

"Although this technique lack the personal dynamic received from any in-person method or even from speaking on the phone, it has its place and there is a real need for it given how quickly the world moves today," she says.

NEW METHODS MEET CHALLENGE OF CHANGING MARKET

Another factor that is driving the need for online research techniques is the changing composition of the market. A decade ago, physicians made almost 75% of all prescribing decisions.

"Today, we are marketing to a different mix of customers, a mix that is continually evolving," Mr. Carpenter from Wyeth says. "In the future, we will have to consider multiple stakeholders influencing the prescribing decision,

Sound Bites From The Field

PHARMAVOICE REACHED OUT TO EXPERTS IN THE FIELD AND ASKED THEM TO EXPLAIN HOW THE CHANGES IN MARKET RESEARCH METHODOLOGY AFFECT THE MERIT OF THE DATA, PHARMA COMPANIES' EXPECTATIONS, AND/OR THE ROLE OF THE MARKET RESEARCHER.



DEBBIE BERTRAM is President of Bertram Group Research & Consulting, Lee's Summit, Mo., a marketing research and consulting firm specializing in the pharmaceutical, biotech, and healthcare industries. For more information, visit bertramgroup.com.

"Face-to-face focus groups continue to be an important tool in the pharma market research toolbox. No other method can effectively simulate the same dynamics among respondents, or between the moderator and the respondent nor can the reaction to stimuli be as productive.

The use of technology does not necessarily mean a completely new method that replaces a previous standard. Technology is routinely incorporated into an existing method, e.g., the use of digital recordings versus cassette tapes, or the ability to present multimedia stimuli in a state-of-the-art focus group facility versus showing a printed sheet of paper or ad board."



JIM CALLANDRILLO is Chief Operating Officer, GfK Market Measures, part of GfK U.S. Healthcare, Hanover, N.J., which provides both custom and multiclient market research for healthcare clients. For more information, visit gfkmm.com.

"The ultimate research is to unobtrusively collect desired information as it occurs naturally. Research in the digital space has the

potential to get us closer to a more natural state with lower costs and sample sizes large enough to predict behavior.

The power of social networking is not in asking questions, but being the voyeur. The challenge is how to interpret the results of this nondirected information flow. What does it mean that your drug was mentioned 57 times, 80% of the time in a positive context, in a four-hour social networking session where 426 physicians participated? While we can look to our qualitative colleagues for some guidance, we need to establish the ground rules for interpreting this truly genuine source of information."



JEFF KOZLOFF is Founder and President of Verilogue, Fort Washington, Pa., which uses patent-pending technology to capture and transcribe live, in-office

physician-patient dialogue used by the healthcare industry to further enhance its understanding of the numerous diseases that face our society today. For more information, visit verilogue.com.

"Physician-patient interactions are dynamic and unstructured. Point-of-practice technology provides researchers with a fly-on-the-wall perspective of real physician-patient exam room conversations from across the country. Savvy marketer researchers are using qualitative intelligence tools to summarize the most meaningful elements of these dialogues. The industry is now equipped with a more authentic and holistic view of naturally occurring customer behavior."

Today's universe is patient-centered.



Discover its power with IMS.

Your business models have changed. So have the metrics that keep the healthcare industry moving forward. Today, a patient perspective is a must.

Through the global IMS LifeLink™ program, we provide a powerful patient lens to drive focus and alignment across your business, deepening your understanding of critical patient, physician and payer dynamics. Our tools allow you to identify the right patient segments early on, in order to gain competitive advantage in today's complex environment.

We make a patient-centered perspective simple — by integrating patient-level intelligence into our industry-leading offerings and giving you expert consultants who apply it to your key issues.

IMS LifeLink has everything you need to succeed in a patient-centered universe. Let us power your patient perspective.

Call our team at **800-255-4110** or visit **imshealth.com/insights**.



INTELLIGENCE.
APPLIED.



TOM "TJ" SCOTT, ASTRAZENECA

STANDARD FOCUS GROUPS OFTEN HAVE THE SAME DOCTORS PARTICIPATING OVER AND OVER AGAIN. Online methods can bring new doctors into the mix, which is key.

THE NEAR-PERFECT VIRTUAL WORLD

One of the major benefits of online focus groups, according to Mr. Scott, is being able to control the questioning more covertly than in person and the ability to attract participants who may not be the usual suspects.

"During a WebEx conference, I have immediate access to the moderator, so I can better control the flow of the interview," he says. "I can tell the moderator to move to the next subject and I can keep the discussion focused on issues that are important to the research objectives. It saves a lot of time for us and the participants."

A drawback of the traditional focus group is that often the same participants return again and again. This can be a problem for many reasons, but the biggest one is that repeat physicians have learned what the researchers want to hear, so the responses may reflect less of what actually occurs and more about what everyone thinks the answers should be, Mr. Scott says.

Experts point toward the ability to create a realistic format for observing behavior as another benefit of online techniques.

"If I'm mining what is going on in a blog, I am essentially doing research by watching behavior happen," Mr. Scott says. "If I'm

putting patient profiles with full medical charts and life stories online and asking physicians to make prescribing and treatment decisions, I am simulating their behavior far more realistically than if I were conducting a focus group and asked: What do you think about this treatment? The virtual world and behavior-simulating methods are far more effective. They may not be less expensive, but they are far more efficient."

A true advocate of innovative techniques, Mr. Scott is always looking for new practices. He likes the concept of Internet communities but hasn't yet found a way to use them effectively.

"Some companies are building research communities and research-oriented Websites around a topic where a moderator throws out topics or questions all day long," he says. "Physicians can respond and participate for a month or other period of time."

Mr. Scott says he would love to have a Webcam on a physician's shoulder or cameras positioned on top of doctors' computers for conducting surveys.

"It would be great to see all of the interactions the doctor has with sales reps and patients and to hear the actual dialogues; this would enable us to better relate to both the doctor and patient experience," he says. ♦

which could be a third physician, a third payer, and a third consumer. The challenge will be designing and integrating an accurate focus group to get a 360-degree view of the product and make it appealing across multiple decision makers. The one-on-one interview conducted online could be the answer."

Marketers are conducting more consumer, payer, employer research, and government reimbursement research. But if the objective is to interview those who really make the decisions for managed care and PBMs, it will be difficult to get enough of the decision makers to stay in the study long enough to do a complex quantitative survey, Mr. Green says. In that case, he says a one-on-one interview by phone, in person, or online may be the best option.

PharmaVOICE welcomes comments about this article. E-mail us at feedback@pharmavoicem.com.

Experts on this topic

MATTHEW CARPENTER. Executive Director, Customer and Competitor Insights, Wyeth, Collegeville, Pa.; Wyeth is a research-driven pharmaceutical and healthcare products company. For more information, visit wyeth.com.

ROGER GREEN. Chairman, CEO, and President, Roger Green and Associates, New Hope, Pa.; Roger Green and Associates is a provider of healthcare insights and research. For more information, visit rogergreen.com.

DEBRA KOSSMAN, PH.D. Senior VP, National Analysts Worldwide, Philadelphia; National Analysts Worldwide is a market research and consulting firm that works in

a range of industry sectors, including pharmaceuticals, biotechnology, IT, financial services, and consumer goods. For more information, visit nationalanalysts.com.

WES MICHAEL. Executive VP, Research Excellence, TNS Healthcare, New York; TNS Healthcare provides globally consistent solutions and custom advisory services to support product introductions; brand, treatment, and sales-performance optimization; and professional and DTC promotional tracking. For more information, visit tnsglobal/healthcare.com.

TOM "TJ" SCOTT. Director of New Practices and Corporate Analytic, Commercial Insights, AstraZeneca, Wilmington, Del.; AstraZeneca is

an international healthcare business engaged in research, development, manufacturing, and marketing of prescription pharmaceuticals and as a supplier of healthcare services. For more information, visit astrazeneca-us.com.

S. KENT STEPHAN. CEO, Princeton Brand Econometrics, Princeton, N.J.; Princeton Brand Econometrics is a marketing engineering consultancy. For more information, visit pbeco.com.

JOHN TAPPER, PH.D. CEO, Ziment, New York; Ziment is a strategic primary marketing research and consulting company. For more information, visit ziment.com.