Omnichannel Strategy in Pharma Marketing

Best Practices

"Digital channels are just a means – not an objective – to interact with customers"

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Introduction

The Covid-19 crisis has led pharma companies to rethink their marketing mix and look for an optimized multichannel approach to interact with HCPs
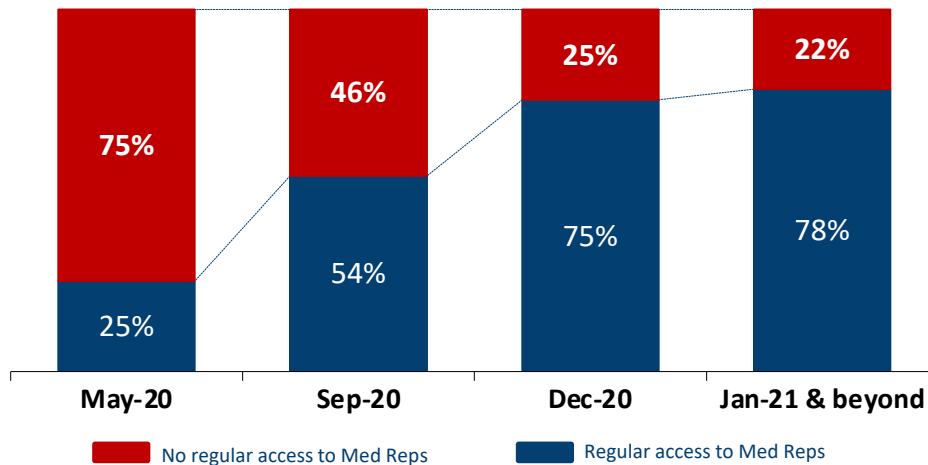
- While **multichannel** strategy consists in using **multiple media** (channels) to convey information and messages to customers, **omnichannel** strategy goes one step further by ensuring an **integrated approach**

- For so doing, the **omnichannel** approach **inter-relates every channel** (unlike multichannel) to provide customers with consistent and integrated messages through multiple sources

- Thus, **pharma companies' departments** (medical, marketing, sales, etc.) interacting directly or indirectly with HCPs and other customers should **be aligned** with **information** conveyed and **services** proposed

- **Omnichannel** strategy has shown to **create stronger relationships** with customers and higher loyalty

- In the Covid-19 crisis context, marked by a **drop** of **in-person interactions**, pharma companies have reinforced their **remote communication** as a **compensatory measure** to ensure a higher level of interactions with HCPs

- This **position paper**, **based on** Smart Pharma Consulting **experience** and a **benchmarking study**, **shares** some **best practices** in implementing **omnichannel strategy** in pharma marketing

Sources: Smart Pharma Consulting

Access to HCPs

One-year Perspective

In-person calls by Med Reps will resume progressively, but ~12% of physicians will not accept to meet them anymore, and those accepting may further reduce the number of contacts p.a.

% of physicians anticipating to accept regular in-person calls by Med Reps following the lockdown[1]
(% of total)

	May-20	Sep-20	Dec-20	Jan-21 & beyond
No regular access to Med Reps	75%	46%	25%	22%
Regular access to Med Reps	25%	54%	75%	78%

■ No regular access to Med Reps ■ Regular access to Med Reps

185 French physicians (GPs, cardiologists, neurologists, oncologists) interviewed from May 21 to 26, 2020 (McKinsey)

Comments

- 10% of interviewed physicians were not accepting in-person calls from Med Reps before the lockdown and 12% more will not accept after the lockdown

- The physicians anticipate a progressive re-opening of access to Med Reps

- However, the situation varies significantly, depending on the:

  — Physician specialty (e.g. GPs, cardiologists)

  — Conditions of practices (e.g. hospitals vs. private practices)

  — Quality of relations between HCPs and Med Reps

Sources: Survey by McKinsey – Benchmarking study (7 French Affiliates of Pharma companies) and analysis carried out by Smart Pharma Consulting in August and September 2020

[1] *The lockdown was imposed in France from March 17 to May 11, 2020*

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Communication Channel Efficacy

Assessment Matrix

Despite the Covid-19 crisis, in-person calls by Med Reps will remain the most effective channel to interact with HCPs, followed by phoning, remote calls and personalized e-mails
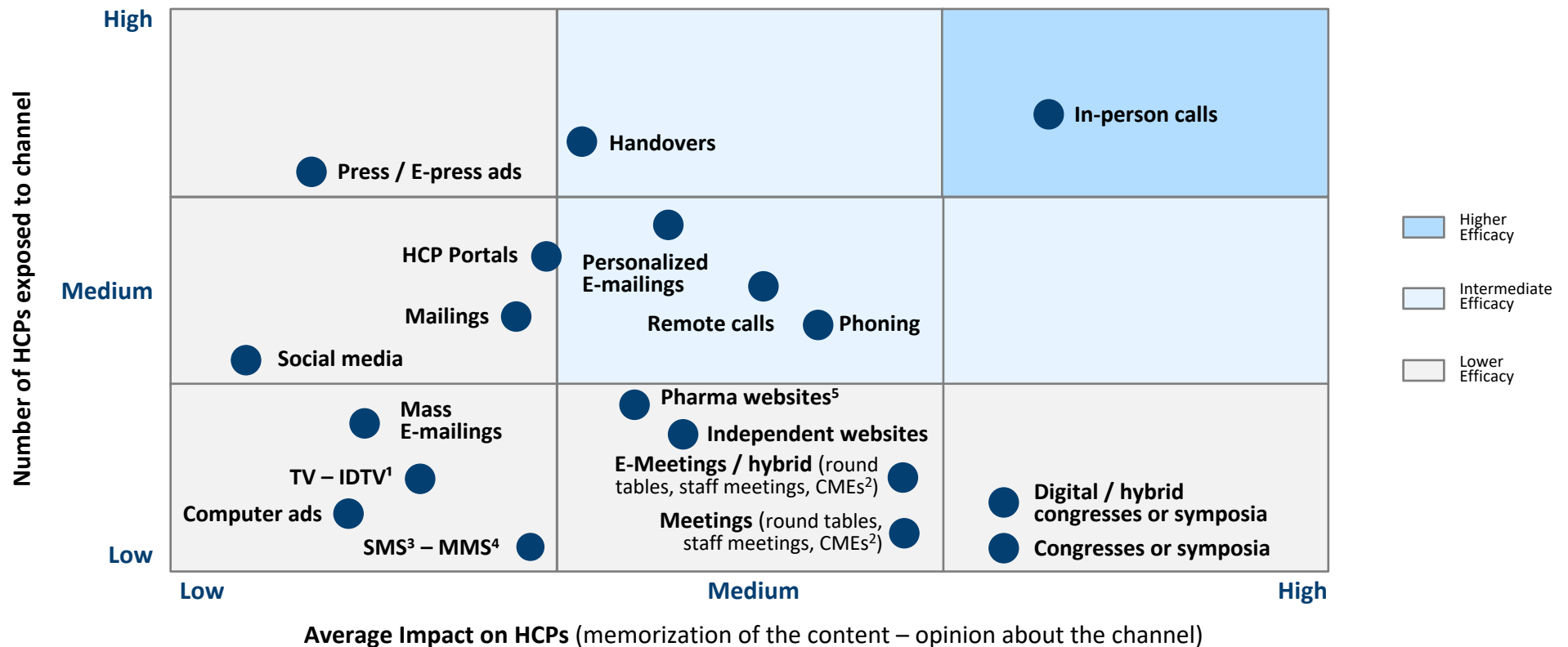
Number of HCPs exposed to channel (y-axis: Low → Medium → High)

Average Impact on HCPs (memorization of the content – opinion about the channel) (x-axis: Low → Medium → High)

Plotted channels:
- In-person calls
- Handovers
- Press / E-press ads
- HCP Portals
- Personalized E-mailings
- Mailings
- Remote calls
- Phoning
- Social media
- Mass E-mailings
- Pharma websites[5]
- Independent websites
- TV – IDTV[1]
- E-Meetings / hybrid (round tables, staff meetings, CMEs[2])
- Computer ads
- Meetings (round tables, staff meetings, CMEs[2])
- SMS[3] – MMS[4]
- Digital / hybrid congresses or symposia
- Congresses or symposia

Legend:
- Higher Efficacy
- Intermediate Efficacy
- Lower Efficacy

Communication channel Efficacy

Assessment per Channel (1/2)

In-person calls have the highest impact on prescriptions, and can be reinforced by other complementary communication channels, either conventional or digital

Channels	Reach	Impact	Efficacy	Feasibility	Comments
In-person calls	●	●	●	◑	▪ The content must be meaningful for each HCP
Phoning	◑	◑	◑	◑	▪ Favor communication about environment / services
Remote calls	◑	◑	◑	◑	▪ Favor communication about environment / services
Personalized E-mails	◑	◑	◑	●	▪ Should be related to the content of the in-person calls
Digital / hybrid congresses or symposia	○	●	○	◑	▪ Development of hybrid (in-person and remote) meetings, especially in the context of the Covid-19 crisis
Congresses or symposia	○	●	○	◑	▪ Less and less people attending congresses or symposia but well appreciated, in general
Pharma websites	○	◑	○	○	▪ The perceived quality by HCPs is good
Independent websites	○	◑	○	●	▪ The content is perceived as reliable

● *High*   ◑ *Medium*   ○ *Low*

Communication channel Efficacy

Assessment per Channel (2/2)

Considering the low efficacy of digital channels, it is recommended to use them preferably as an add-on to conventional channels, in a pre-determined sequence, depending on HCPs preference

Channels	Reach	Impact	Efficacy	Feasibility	Comments
E-meetings / hybrid	Low	Medium	Low	Medium	▪ Peer-to-peer meetings are particularly well appreciated
Meetings	Low	Medium	Low	Medium	▪ Peer-to-peer meetings are particularly well appreciated
Press / E-press	High	Low	Low	High	▪ Ads to maintain the presence of the brands
HCP Portals	Medium	Low	Low	High	▪ Ads or content to maintain the presence of the brands
Mailings	Medium	Low	Low	High	▪ More effective than mass e-mailings
Social media	Medium	Low	Low	High	▪ Ads or content to maintain the presence of the brands
Mass E-mailings	Low	Low	Low	High	▪ Not attractive for HCPs
TV-IDTV	Low	Low	Low	Medium	▪ Very limited use
Computer ads	Low	Low	Low	High	▪ Ads to maintain the presence of the brands (banners)
SMS – MMS	Low	Low	Low	High	▪ Very limited use

● High   ◐ Medium   ○ Low

Communication channel Efficacy

Focus on Remote Calls

Remote calls are potentially attractive to HCPs and likely to engage them provided the technology is well mastered, the content is non-promotional or focused on new products or indications

Pros	Cons
■ Economic and time saving by reducing travels	■ Problems of online access due to firewalls or low bandwidth, especially in hospitals
■ Personal relationship is kept, to a certain extent	■ All HCPs are not familiar with remote calls
■ Optimization of calls:	■ Less than 10% of HCPs accepting in-person calls will accept, in addition, remote calls
— Higher attention span	
— Med Reps more focused on promotional activity	■ A phenomenon of rejection by HCPs is growing as a result of several disappointing experiences through this channel
■ Flexibility of scheduling	
■ Reutilization of digital contents on other channels	

Golden rules to succeed

- ■ Make sure the content is attractive enough
- ■ Specifically train Med Reps
- ■ Use remote calls as a complement of in-person calls

- ■ Perform remote calls by internal Med Reps, only
- ■ Keep the call short and crispy to maintain attention
- ■ Include short videos and animations[1]

[1] 20 to 30 seconds

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Introduction (1/2)

The absolute priority for pharma companies is to maintain regular contacts with targeted HCPs by offering the content they want through the coordinated combination of channels they prefer

Evolution of in-person vs. remote interactions between Pharma Affiliates & HCPs
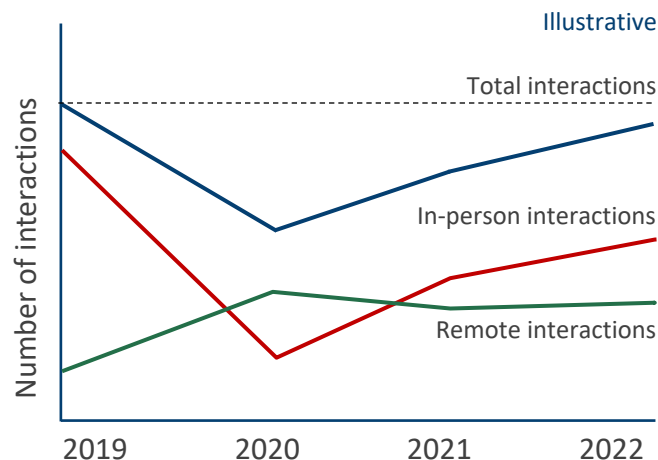
- In the Covid-19 crisis context, in-person interactions between pharma companies and HCPs have fallen and been partially offset by remote contacts

- Until the Covid-19 crisis occurred, ~70% of medico-marketing and sales total interactions were coming from in-person contacts

- If most HCPs expect in-person interactions to resume after the crisis, they will reduce the overall number of interactions with in-field collaborators[1], while increasing the weight of remote interactions in their contact mix[2]

- Therefore, to keep regular contacts with HCPs, pharma companies should carry out omnichannel initiatives, consisting in using multiple channels (media) in an integrated approach to optimize their impact

- For so doing, every channel should be inter-related to provide HCPs with consistent and high-value content through multiple sources

[1] Mainly due to the necessity to grant more time to treat patients and to the low value brought by most of in-field interactions – [2] The number of HCPs becoming familiar with digital tools has strongly increased, especially by experiencing teleconsultations during the Covid-19 crisis

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Introduction (2/2)

Digital channels are not the panacea to cope with the Covid-19 crisis but, if well-executed and integrated into an individualized omnichannel strategy, they can help engage HCPs

Five Rules for an Effective Omnichannel Strategy per Individual HCP

Rule #1 — Identify each HCP preferred channels and usage patterns (e.g. frequency, time of the day, duration)

Rule #2 — Select one or several channels (in-person and/or remote, non-digital and/or digital) to be combined, according to the sought objective (e.g. message to convey, partnership to propose, service to offer)

Rule #3 — Adapt the content and the format to the channel specificities

Rule #4 — Plan carefully the execution of the omnichannel strategy while defining the right sequence of channels and the right timing

Rule #5 — Monitor the quality of execution (the IT should be flawless) with KEIs[1] and the impact of the omnichannel strategy with KPIs[2]

Channels: Webinars, Medical Meetings, In-field Teams, E-mails, Websites

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Channel Sequencing

The most common sequencing used combines personalized e-mails sent just after in-person calls in which HCPs can be invited to use other digital channels to get information or services
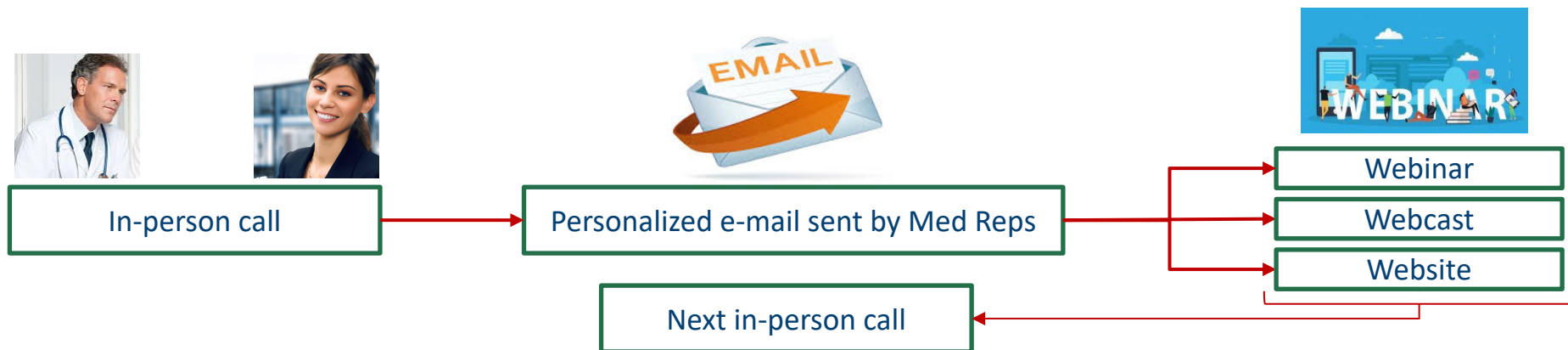
- The opening rate of personalized e-mails, following an in-person call can reach 30% to 50% according to:
  - The interest of the HCPs for the content
  - The quality of the presentation
  - The day and the time of sending

- The e-mail sent can invite HCPs to:
  - Attend a webinar
  - View a webcast
  - Visit a website (with product and/or non-product contents)
  - Use other digital channels to get information or services

The right sequence across different channels, physical, digital or hybrid, will mainly depend on the content to communicate and the preference of HCPs

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Execution & Performance Monitoring: Definition

To measure the efficacy and efficiency of communication channels, it is essential to use key execution indicators (KEIs) and key performance indicators (KPIs)

- For purposes of clarity and efficacy, monitoring metrics should be of two kinds:
  - **Key Execution Indicators** (KEIs) which measure the quality of execution of an activity or of a project
  - **Key Performance Indicators** (KPIs) which measure the outcome of an activity or a project

KEIs are measurement tools enabling to control and monitor the execution of an action or a series of actions (project)

Objective

Current situation

KPIs are measurement tools enabling to evaluate how far the objective set has been achieved
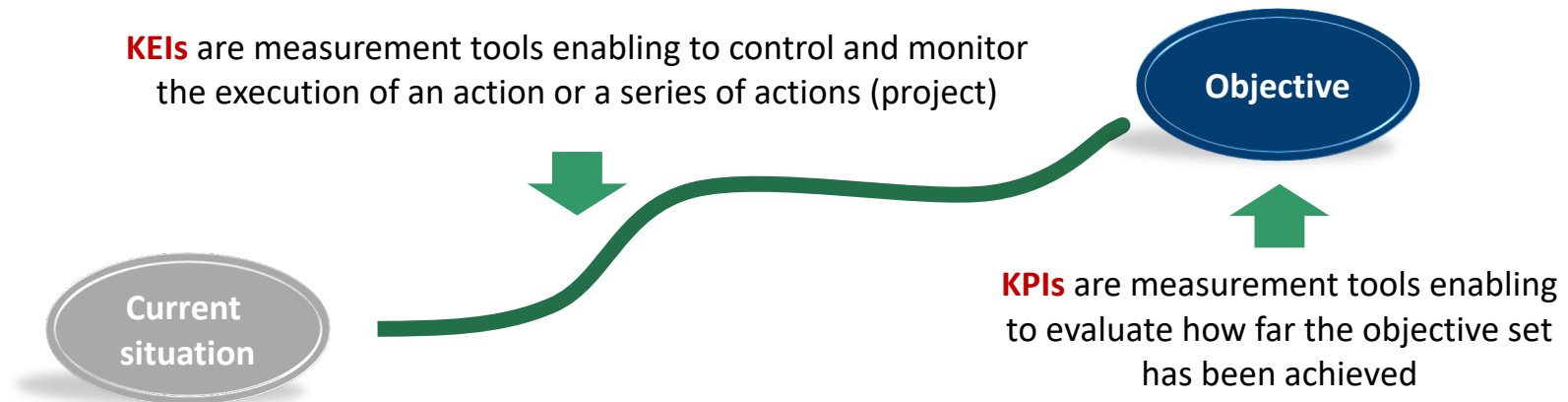
"If you cannot measure it, you cannot improve it"

Sources: Smart Pharma Consulting

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Execution & Performance Monitoring: Tools (1/3)

Key execution indicators and key performance indicators, which can be quantitative and/or qualitative, must be carefully selected to monitor the use and impact of different channels

Illustrative

Key Execution Indicators	Key Performance Indicators
Quantitative ▪ % of targeted HCPs contacted in-person by Med Reps ▪ Number of interactions with HCPs ▪ Bounce rate of a website ▪ Opening rate of e-mailings, webcasts, etc.	▪ Number of new prescribers ▪ Average # of prescriptions per HCP ▪ Prescription dynamics per HCP ▪ Sales dynamics ▪ Return on investment
Qualitative ▪ Quality of interactions with HCPs ▪ Interest and usefulness of the content conveyed through different channels ▪ Convenience of proposed / used channels ▪ Proper organization of e-meetings	▪ Corporate reputation improvement ▪ Perceived quality of products / portfolio ▪ Perceived value of services offered ▪ Brand Preference Mix Index (BMPi)[1] ▪ Net Promoter Score (NPS)

Sources: Smart Pharma Consulting

[1] *Corporate reputation x products image x perceived service quality: see Smart Pharma Consulting website*

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Execution & Performance Monitoring: Tools (2/3)

The Brand Preference Mix Index makes it possible to measure the evolution of individual HCPs Experience compared to competitors at a given point of time and overtime

Brand Preference Mix Index (BPMi)

- The BPMI measures, HCP by HCP:
  - The importance of the 3 components of the BPM
  - His perception of each of them on a 10-point scale
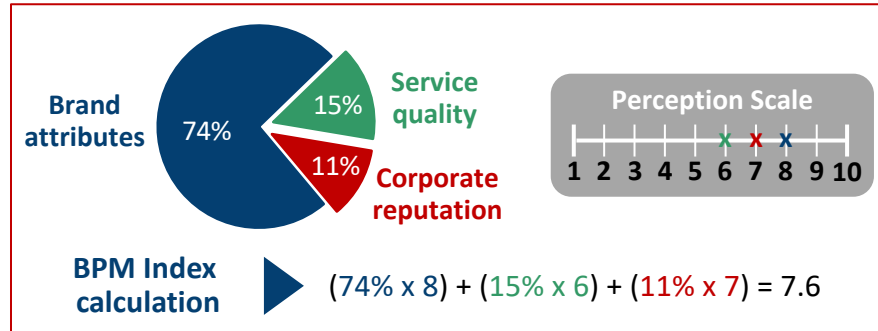
- The BPMI enables to determine:
  - The root-causes underlying the commitment of each HCP for a brand
  - Actions to strengthen his attachment to the brand

Net Promoter Score (NPS)

- The NPS measures the degree to which HCPs will recommend a brand, a service or a company to another healthcare professional

- The NPS can be used to evaluate a touchpoint at a given moment or the overall HCP experience

- The NPS is the % of promoters minus the % of detractors
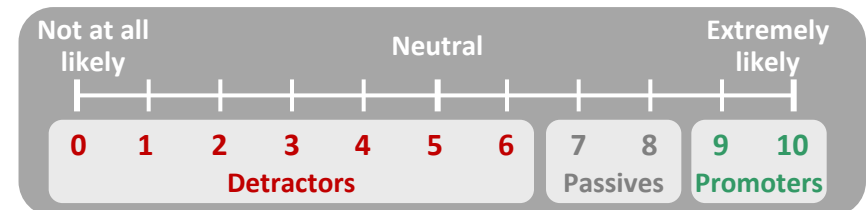
- By asking customers why they would be likely or not to make a recommendation, it is possible to identify solutions to convert detractors into promoters

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Execution & Performance Monitoring: Tools (3/3)

The BPMi, specifically designed to measure HCPs opinion, is the most complete indicator but it could be advantageously complemented by the NPS

Brand Preference Mix Index (BPMI)

Pros

- It measures overall and specific experiences…

- … including rationale and suggestions of improvement

- It enables comparisons vs. competitors

Cons

- BPMi being a holistic metric (incl. brands, companies, services), it may be perceived as complex to implement

- Not yet broadly known and used, unlike NPS

Net Promoter Score (NPS)

- The NPS focuses on overall experiences

- It is a long-term satisfaction metric

- It measures how many HCPs are likely to advocate the brand

- Promoters, detractors and passives segments are theoretical[1]

- The single question asked does not enable to define the actions to be taken to correct or reinforce the situation

[1] *They do not necessarily reflect the reality of the customers behavior. One customer can evaluate a brand with a "8" and talk positively about a product and another one with a "10" may not talk about the brand, either positively or negatively*

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Execution & Performance Monitoring: Application (1/2)

If it is difficult to measure the impact on performance of one isolated channel at one point of time, it is however easier to measure the quality of execution so that to keep on improving

Illustrative

Channels	Key Execution Indicators		Key Performance Indicators
In-person calls	▪ Call duration		The impact of the different channels will strongly depend on:
Phoning	▪ # of calls p.a.		— The objective sought
Remote calls	▪ Memorization rate		— The quality and …
TV-IDTV	▪ Satisfaction score		— … the relevance of content conveyed by the channel
Personalized E-mails	▪ Opening rate	▪ Churn rate	
Mass E-mailings	▪ Time to opening	▪ Satisfaction score	Irrespective of the considered channel, the following KPIs could be selected:
Mailings	▪ Memorization rate	▪ Satisfaction score	▪ Change in opinion (e.g. Brand Preference Mix Index, Net Promoter Score)
Digital / hybrid congresses or symposia	▪ # of invitees	▪ # of connected invitees	
E-meetings / hybrid	▪ # of registered invitees	▪ # remaining connected	▪ Change in behavior (e.g. prescription share)
Congresses or symposia		▪ # of attending invitees	▪ Impact on the # of treated patients, the prescription share, the market share, the sales dynamics, etc.
Meetings	▪ Satisfaction score		

Sources: Benchmarking study (7 French Affiliates of Pharma companies) and analysis carried out by Smart Pharma Consulting in August and September 2020

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Execution & Performance Monitoring: Application (2/2)

If it is difficult to measure the impact on performance of one isolated channel at one point of time, it is however easier to measure the quality of execution so that to keep on improving
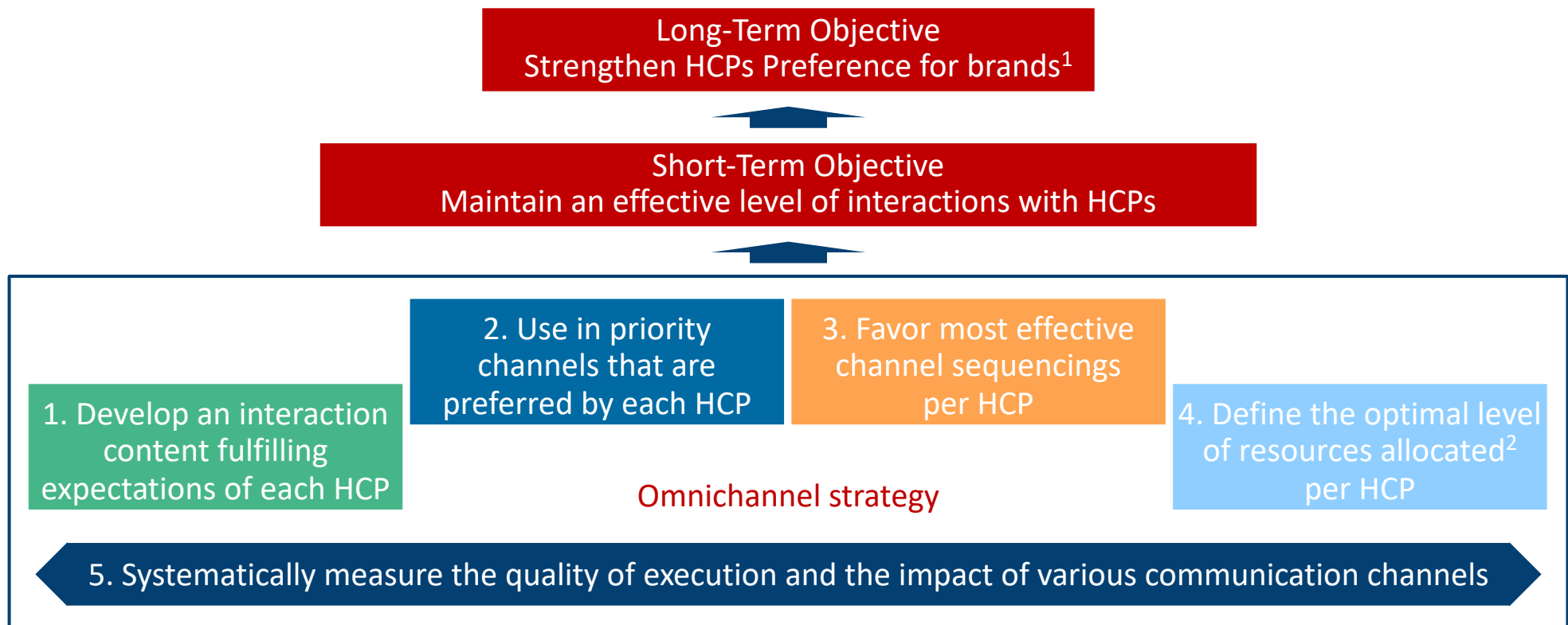
Illustrative

Channels	Key Execution Indicators		Key Performance Indicators
Pharma websites	▪ # of visits		The impact of the different channels will strongly depend on:
Independent websites	▪ Frequency of visits		— The objective sought
Social media			— The quality and …
HCP Portals	▪ Duration of visits		— … the relevance of content conveyed by the channel
Computer ads	▪ Click rate		Irrespective of the considered channel, the following KPIs could be selected:
E-press	▪ Reach (# of HCPs exposed to the ad)		▪ Change in opinion (e.g. Brand Preference Mix Index, Net Promoter Score)
Press	▪ Frequency (# of times each HCP is exposed) ▪ Gross Rating Points (GRP) = Reach x Frequency		▪ Change in behavior (e.g. prescription share)
SMS – MMS	▪ Response rate	▪ Time to response	▪ Impact on the # of treated patients, the prescription share, the market share, the sales dynamics, etc.

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Recommendations

In the Covid-19 context, the omnichannel strategy should be designed to secure an effective level of interactions with HCPs to keep on strengthening their preference for the promoted brands

Long-Term Objective
Strengthen HCPs Preference for brands[1]

Short-Term Objective
Maintain an effective level of interactions with HCPs

1. Develop an interaction content fulfilling expectations of each HCP

2. Use in priority channels that are preferred by each HCP

3. Favor most effective channel sequencings per HCP

4. Define the optimal level of resources allocated[2] per HCP

Omnichannel strategy

5. Systematically measure the quality of execution and the impact of various communication channels

Sources: Benchmarking study (7 French Affiliates of Pharma companies) and analysis carried out by Smart Pharma Consulting in August and September 2020

[1] In the best interest of patients, HCPs and payers – [2] Human and financial resources

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  - Determine implications for key stakeholders
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Issue #16

Omnichannel Strategy in Pharma Marketing
Best Practices

Access to HCPs

- One-year Perspective

Communication Channel Efficacy

- Assessment Matrix
- Assessment per Channel
- Focus on Remote Calls

Best Practices

- Channel Sequencing
- Execution & Performance Monitoring
- Recommendations

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Best regards

Jean-Michel Peny