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The Targeted Model: The Future of Pharmaceutical Marketing?

By John Mack

Remember the good days of pharmaceutical marketing? When pharmaceutical reps and doctors had personal relationships? When the sales rep was the dominant influencer of physician prescribing behavior? When reps were knowledgeable and provided the physician with useful information that couldn't be gotten anywhere else?

Well, the days of the traditional marketing/sales model are over according to Rick Blockinger, Senior product Director, Gastroenterology, Janssen Pharmaceutica. Speaking at a recent DMA Pharmaceutical Marketing Conference in Princeton, NJ, Blockinger highlighted well-known survey data documenting the decline in effectiveness of the typical pharmaceutical sales rep. Some of the data cited:

- Physicians have less time: 43% of sales calls result in the representative not even seeing the physician
- More reps are trying to see the same doctors: data from the Bergen County (NJ) Record indicate that between 1996 and 2001 the number of pharma sales reps grew by 110% while the number of physicians grew by only 12.5%. The result is that there is now 1 sales rep for every 10 physicians.
- The role of the representative as information provider has diminished: New technology—the Internet, PDAs, text messaging—has created new information sources. “We have not done a good job using these tools,” say Blockinger. Reps have learned to use 15-second sound bites to get one main point across. As a result, Doctors find only 35% of meetings with reps helpful.

Other changes have influenced the physician-rep relationship as well. These include the influence of managed care's multi-tiered formularies, DTC

advertising, and consumers armed with information from the Internet.

Rethinking the Brand Plan

According to Blockinger, the pharma industry has not adapted to the changing influences and has lost sight of the customer. The easiest thing for a product manager to do is to take last year's business plan and repeat it for the upcoming year. As a consequence, year after year the marketing plan stays essentially the same while the environment has changed drastically.

“Single-focused, ‘approved’ brand messages show no regard for differences among physicians.” Targeted marketing is the future. Whether your Rx

Sales detail aids	Non-personal promotion
<p>No regional differences</p> <p>Little difference by specialty</p> <p>No ability to customize by physician “mindset”</p>	<p>Customizable media</p> <ul style="list-style-type: none"> • Direct mail • E-detailing <p>One-size-fits-all messaging</p>

brand message is delivered via a sales rep, direct mail, website, in-store display or TV ad, it must be applicable to each segment of your target audience.

It's time to rethink the national brand plan and leverage our wealth of data on a market-by-market, audience-by-audience basis. Direct marketing principles lie at the core of this model and will help forward-thinking pharmaceutical marketers adopt a multi-faceted strategy to optimize each market opportunity and maximize ROI.

What We Need on the Physician Side

“We have created this problem and now its time to do something about it claims Blockinger, ““What we need is a flexible professional promotion model to customize messages to meet individual physician needs similar to how a skilled representative would communicate. Today's

pharmaceutical marketing and sales model must be opportunistic and flexible enough to allow customization to the influences of different sales territories, physician types, managed care formularies, reimbursement landscapes and consumer attitudes.

We also need the ability to deliver customized messaging to physicians in a variety of formats (in person, at meetings/symposia, via direct mail, on the Internet, via email, via other electronic devices).

What We Need on the Consumer Side

Print and TV direct-to-consumer (DTC) advertising can raise awareness, but awareness should not be equated with action. "There is no guarantee," says Blockinger, "that a consumer will come out a doctor's office with the drug that he or she requested." According to an FDA survey, when patients ask for a prescription for a specific drug, the doctor obliged 57% of the time, which is only slightly better than even odds (See "[Results from FDA Physician Survey on DTC Advertising](#)").

Consumers at different stages need different information and marketers need to develop flexible consumer promotion models to customize messages to individual prospects and patients according to their needs. The new model must differentiate among consumers who:

• Have little knowledge of disease state or brands	vs.	• Are already informed
• Are still complacent and need encouragement	vs.	• Are ready to talk with doctor
• Are not on therapy and need incentives for trial	vs.	• Are already on therapy and need compliance messages

Not only that, but patients need different information from prospects and marketing messages need to change as prospects go through the behavioral progression starting at **Awareness** (just finding out about the condition and whether it pertains to them), moving to **Acceptance** (the potential risk has been personalized and the prospect is considering seeking information and/or evaluation), and finally arriving at **Action** (ready to talk with physician about treatment or is already on therapy).

Challenges

Blockinger believes that direct marketing can provide the customization pharmaceutical marketers need, but warns that several challenges need to be overcome.

The challenges for direct marketing to **physicians** are:

- Good, honest clinical data, which is what physicians want and need for their practice.
- Strict segmentation criteria. Blockinger suggests that today's segmentation criteria based for the most part on prescribing volume is not focused enough.
- Relevant messaging. Blockinger points out that brands are reluctant to customize messages for fear of "corrupting" the brand.
- Media flexibility

The challenges for direct marketing to **consumers** are:

- Privacy issues, including HIPAA (Health Insurance Portability and Accountability Act) and evolving state medical privacy laws aimed at putting limits on access to consumer and prescribing data by pharmaceutical marketers.
- Good data for segmentation (typing tools)
- Careful message construction
- ROI measurement

Blockinger ended his presentation by challenging direct marketing vendors to help solve these issues within the highly regulated environment of the pharmaceutical industry and to lead the industry into the future of customized marketing.

Pharma Marketing News

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Pharma Marketing News—the First Forum for Pharmaceutical Marketing Experts—is published monthly by **VirSci Corporation** except for August. It is distributed electronically by email and the Web to members of the Pharma Marketing Network (www.pharmamarketing.com).

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