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Reprint

Closed-Loop Marketing *A New Role for eDetailing*

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Conference Highlight

Closed-Loop Marketing

A New Role for eDetailing

By John Mack

Despite all the complaints about how little of pharma marketers' budgets are devoted to Internet-based channels (ie, eMarketing), there's always good attendance at industry conferences focusing on eMarketing and always something to learn by attending. This was the case for CBI's 7th Annual eMarketing for the Pharmaceutical Industry conference, which I attended a few weeks ago in Philadelphia, PA.

This article is a review of the presentation "Where Should Closed Loop Marketing Really Begin?" by Bruce Grant, Senior VP, Business Strategy and David Wigder, Senior VP, Strategy & Analytics at Digitas Health. This presentation was focused on leveraging eDetailing for effective closed-loop marketing campaigns.

Traditional Closed-Loop Marketing

Closed-loop marketing (CLM, see box, pg. 16) captures physician behavior, preferences and attitudes and feeds that information back in real time into the marketing process, which modifies the messages depending upon this feedback. That is, CLM takes into account how physicians react to marketing messages and adjusts those messages and the marketing strategy accordingly. To do this in real time requires technology, which often means deployment of tablet PCs by sales reps—tablet PC-based field detailing—and integrates them into the enterprise's customer relationship management or sales force automation system.

Grant pointed out a few problems with this traditional means of implementing a CLM program. First, whipping out a tablet PC during a sales call and collecting meaningful data is unrealistic in a world where 19% of physicians refuse to see sales reps at all and 75% of all sales calls achieve no face time; ie, are "no see" calls that are merely sample drop-offs! When the rep actually gets to talk to a physician, less than 7% of these meetings last more than 2 minutes.

The second problem in deploying a traditional CLM program, according to Grant, is that it calls for "unprecedented changes in business processes and culture." Having to first tie CLM into a "big, complicated technology" SFA platform, which depends upon sales rep training and compliance

with the system, is unrealistic suggested Grant, when it's difficult enough to get reps to do simple call reporting.

The New eDetailing Model

Grant's "modest proposal" is to start "closer to home" using an online platform to essentially create a closed loop marketing/detailing application.

The "traditional" eDetailing model follows pretty closely the real-world model where information mainly flows in one direction: from the detailer to the physician. There's also not much change in the message from one detail to the next except differences based on aggregate segmentation based on prescribing habits. The focus is selling the product features and presenting nice charts of clinical trail data that support the benefits.

A CLM eDetailing model uses available online engagement metrics such as duration of visit, frequency of visits, % repeat visits, recency of visits, and depth of visits (% of site visited), to optimize the marketing message for each physician visitor (see Figure 1, pg.15).

Identify Behaviors that Drive Value

The key is linking online behavior to prescription-writing behavior. That is, it is critical to identify which online behaviors are associated with the usual high and low prescribing physician segments. This can be done, according to Wigder, by asking physician visitors how frequently they prescribe medication X for condition Y and optimizing the online experience via "site versioning" or delivering the optimal content designed to drive value.

It is also important to generate permission to "extend the dialogue" into other channels like RSS, mobile, sample requests, and, yes, requests for a sales rep visit. The latter is how the loop is extended to encompass the real world. The data collected online—eg, the physician's "online engagement score"—is feed back to the sales force in order to tailor the live details.

Online behavior can also be used to tailor ongoing physician relationship management (PRM) communications such as direct mail and e-mail.

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Maximize Likelihood of Success

All the ingredients are available to implement this kind of program: they have been applied in other areas. There is only one catch according to Grant. Pharma needs to strengthen the quality of the existing eDetailing foundation upon which this online closed loop marketing model is built.

Inform sales force detailing

Capture data online behavior using web analytics tool or central database



Figure 1: Source: Digitas Health

Many companies, claimed Grant, are doing eDetails that look like repurposed core visual aids that are one-dimensional and non-interactive. These are not that intrinsically engaging, according to Grant.

Grant also took a couple of pot shots at other traditional eDetailing practices that need to be changed in order to increase the likelihood of success. Outsourcing of physician recruitment—"a business model that is premised on repeatedly charging our companies for recruiting the same doctors"—is unsustainable, according to Grant. "We want to own our database," said Grant, "and we want to invest in creating a physician relationship, not treat it like a recurring expense."

The Honoraria Roadblock

Using material incentives is also unsustainable. Ever since the kibosh was placed on monetary rewards given to physicians for participating in eDetails, the pace of adoption of eDetailing as a viable alternative or even adjunct to live details, which can still include lunch and tchotchkes, seems to have slowed considerably.

You might recall a previous *Pharma Marketing News* article ("[Why Pharma Can't Ignore eDetailers](#)") that reported on a 2003 Forrester study that demonstrated how important eDetails with honoraria attached were to physicians.

Forty percent of physicians responding to that survey only participate in eDetails because of the honoraria and another 55% of physicians would be "swayed" to participate if honoraria were involved (see Figure 2, pg. 16).

There's no reason to suggest that physicians have changed their minds about honoraria being the engine that drives eDetailing. Unfortunately, new OIG guidelines have stalled that engine. Grant reminded the conference audience that giving gifts to physicians as an incentive for eDetailing was unsustainable and the only thing preventing the OIG from bringing anti-kickback cases against those companies that provide gifts is the Justice Department's pursuit of more serious anti-kickback crimes.

In a world without honoraria it is obvious that new incentives must be found to drive

physicians to eDetails.

Why do physicians feel they need to be compensated to view eDetails? Simple, said Grant. eDetails are not interesting. "Interest is the most effective incentive for eDetailing," said Grant. He suggested that the new eDetailing model will involve the following features:

- Based on thought-leader (KOL) authority instead of marketing hype
- More interactivity that physicians can use to learn something from and we can use to do more segmentation
- Rich media—eg, animation, video—that takes advantage of the broadband connectivity that 99% of physicians have access to
- High engagement value
- "New news"—not just new clinical trial results

This is more what physicians have come to expect in the huge variety of content that they have access to today on the Web.

Continues...

In summary, the likelihood of success of online closed loop marketing can be maximized by:

- Starting with what we already know how to do; making online the center but not the exclusive universe for CLM
- Minimizing new dependencies so we can move quickly without having to create new channels of communication or new business processes
- Keeping scope of control—and accountability—focused; ie, marketing should be the champion or steward
- Observing, measuring, learning, and applying
- Remembering that the HCP is at the center of everything

A Few High Hurdles to Overcome

True closed loop marketing depends on very rapid feedback and changes in messaging according to the feedback. The CLM vision of generating “new” messaging on the fly probably is an aspiration rather than a reality at this point given the required legal and regulatory approval process. Nevertheless, a library of pre-approved segment messages/sites could be developed.

The online CLM model for eDetailing Grant presented may face the same challenge that traditional eDetailing faces: not getting sales reps into the loop in terms of both feedback and buy-in.

The reps in the field mostly are relegated to merely delivering the tailored messages that might be generated by the online experience. Grant did not get into how information might flow the other way – that is, how feedback from real world details can be used to improve the online experience.

As with many eMarketing initiatives, a full implementation of an online CLM program will depend on a track record of success to develop a proof of concept, which in turn will help build the necessary championship at senior management levels.

Pharma Marketing News

Closed Loop Marketing

“Closed loop marketing (CLM) is the process by which a pharmaceutical company develops marketing strategies and deploys them through one or more channels to reach their customers (the prescribers) and gain a sound understanding of what happens in the marketplace. It’s being able to understand what’s working and what’s not working. It’s being able to understand objective data and refine the processes in a closed loop format so over time you continue to improve effectiveness both in marketing and sales.” -- Proscapa Life Sciences President and Co-Founder Derek Pollock (“[Pharma is Soaring to New Heights with Closed Loop Marketing](#)”).

“A new approach to pharmaceutical sales and marketing, Closed Loop Marketing redefines the interaction between sales representatives and physicians. The tools that are part of Closed Loop Marketing give sales representatives access to accurate, up-to-date data about a physician before each visit, allowing them to tailor product information to match each physician’s patient profile and interests. Using Closed Loop Marketing, sales representatives can automatically feed data about each physician interaction directly to brand teams through a central sales portal, giving the brand team information required to refine marketing and strategy.” – Microsoft (“[Closed Loop Marketing solutions for sales and marketing effectiveness](#)”)

Also see: “[The Role of Tablet PCs in Pharma Sales and Marketing](#)”

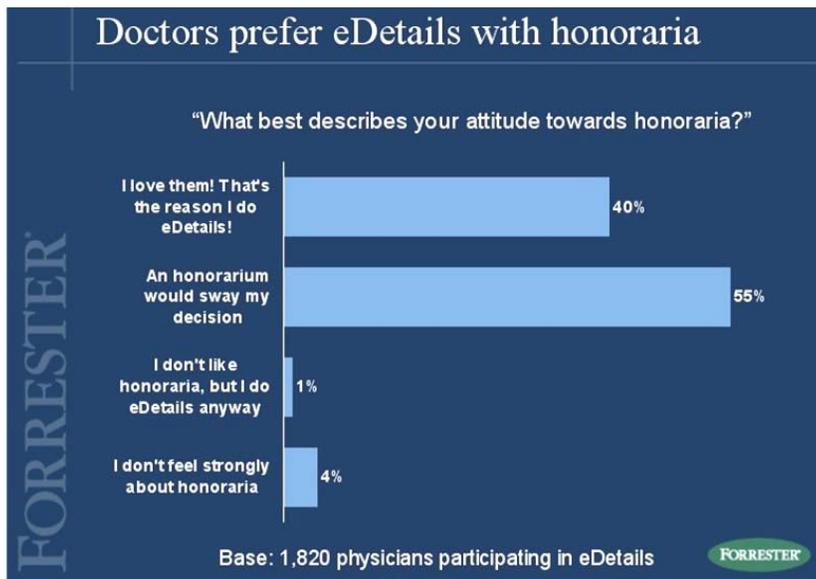


Figure 2: Doctors prefer eDetails with honoraria. Forrester’s 2003 Technographics® Benchmark Study and Online survey of eDetailed physicians. Copyright © 2003, Forrester Research, Inc.

Experts Consulted

The following experts were consulted in the preparation of articles for this issue.

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Resources

See articles for citations.

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