

## Improving Sales Force Effectiveness with Digital Technology Part 2: eDetailing

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Since the total US sales force of the top 40 pharmaceutical companies has approximately doubled in the last 5 years to around 63,000 (1999 figures), which is in stark contrast to the 15% growth in traditional detail visits, pharmaceutical companies are re-evaluating the effectiveness of the current traditional-only detailing practices. New technology is being brought to bear on this issue. The most popular current areas of focus are:

- eLearning
- eDetailing
- eCRM
- eCME
- Mobile applications.

This series of articles will examine one of these areas each month (last month eLearning was examined). These articles will assess the important considerations when implementing these systems as well as outlining a recent pharmaceutical case study and typical results obtained utilizing these systems.

This month, the focus is eDetailing.

### Part 1: eDetailing and its' ROI

eDetailing is being discussed by the majority of pharmaceutical sales and marketing departments as a way to utilize sales force time more efficiently while saving costs and increasing sales.

The plethora of different forms of eDetailing (live, virtual etc) available are widely known. Now these – like any other marketing activity - must be assessed for Return on Investment (ROI). ROI is a measure of the return the company gets for implementing the system after calculating out what was spent in creating and maintaining the system. All relevant metrics must be measured to ensure that there is, in fact, a significant return of investment. Clearly the overriding objective of any form of eDetailing activity is to increase the number of prescriptions written, while reducing costs. ROI examples of these types of detailing, from the US, are plentiful.

The ROI on the Novartis US eDetailing pilot is well known and oft quoted. Virtual reps using the iPhysicianNet videoconferencing style system were able to complete 13 calls per day (compared with 8 for field reps), spend 9 minutes per call (compared with 3 for field reps) and deliver 2.7 details per call (compared with 1.6 for field reps). The cost per virtual rep was \$18,000 per year less than field reps and their cost per minute was \$14 compared with \$58 for field reps. The ROI was reported to be 20% higher for virtual detailing compared with the field reps. 58% of the doctors reportedly preferred their details divided equally between field and virtual.

The ROI on the Physicians Interactive system (case study done by the HyGro Group Inc) found that using virtual eDetailing – without a virtual rep and not using a videoconferencing style system, returned a ROI of around 480% from high prescribing physicians and an increase in new prescription market share of physicians who participated from 3.2% to 9.8% four months later. This increased level of market share persisted to be more than 3 share points ahead of the control group at the end of the evaluation period (7 months later).

But what are the important considerations to take into account when implementing eDetailing and measuring ROI? For a start: What products AND what physicians should be chosen for eDetailing to yield a high ROI? What metrics are being used to measure the ROI? How are these metrics used to calculate ROI? Who calculates the ROI? Is Europe different from the US in terms of what kinds of eDetailing work best to achieve ROI for physicians and pharmaceutical companies?

What products and physicians should be chosen for eDetailing to yield a high ROI?

Determining whether or not eDetailing is appropriate or not for a specific country or product is a key issue that must be considered prior to developing or buying eDetailing capabilities.

Factors affecting whether to initiate eDetailing as well as which form of eDetailing to use will include:

- drug stage in drug lifecycle

- segmentation of physician prescribing patterns.

Clearly different stages in the drug lifecycle are far more amenable to eDetailing than others. In addition, it is crucial that the physicians targeted are also chosen carefully. It is still a cost-consuming resource and some physician groups are clearly better targets for a savvy marketer than others and the eDetailing activities should be focused on these. For example, the quickest ROI win group of physicians to target would clearly be high volume category, but low brand, prescribers. However, the Mednet Media report on this topic did find some other unexpected physician groups to target. By examining these carefully as shown in the report, a path will start to become clearer as to whether and how to implement the system.

### **What metrics are being used to measure the ROI?**

The metrics used in calculating ROI are directly related to the objectives initially set (as with any business planning process). Therefore the metrics most commonly used are:

- length of detail
- number of details per day
- effectiveness of each detail
- cost per detail
- number of increased prescriptions
- new prescription market share increase.

### **How are these metrics are being used to calculate the ROI?**

The usual way of measuring ROI on these investments is calculated by putting these items into a formula, therefore measuring the incremental profits from increases in prescriptions written as a result of eDetailing (from IMS data), and then dividing these by the cost of the eDetails added to the development of the programme (start-up costs) a figure can be reached. Naturally assumptions are made within this formula. The cost per eDetailing session is not necessarily completely straightforward since the pharmaceutical company may negotiate price breaks after a specified number of eDetails have been performed or contracts with eDetailing vendors may state that the pharmaceutical company will only be charged for fully completed details. However, it is best to try and find the average cost per eDetail for the purposes of ROI calculation. In the Mednet media report on this topic, other ROI formulas are also considered and analysed.

### **Who calculates the metrics?**

Currently the options available for calculating the ROI are:

- Pharmaceutical company themselves (often with the assistance of an independent third party firm using IMS data)
- eDetailing vendor company.

Typically this scenario involves some input from both parties outlined above, depending on the type of eDetailing system employed.

Currently, pharmaceutical companies tend to outsource their ROI calculation and monitoring role to independent groups such as Mednet Media who work with IMS to ensure integrity of the data in terms of the final purpose - increases in prescriptions. This provides integrity and impartiality to the data collection and analysis process.

Vendors currently tend to be charged with tracking the length of the interactions and time of day and who they are with – which is also verified by the independent market research firms employed who also track these (just to be sure) and then an ROI calculation can be made.

### **Is Europe different from the US in terms of what kinds of eDetailing work best to achieve ROI for physicians and pharmaceutical companies?**

Mednet Media researched this by conducting market research, in association with Medix-UK, with 204 UK GPs (90% full time GP partners, good spread across England, Scotland, Wales & Northern Ireland, 86% male / 14% female, 34% qualified in 1970s / 45% qualified in 1980s) in September 2001. The results of this survey are detailed in the Mednet Media report. These results do have an impact on how eDetailing should be conducted in the UK and should certainly be consulted prior to initiating any eDetailing programme in this market.

## Summary

When calculating ROI it is important to examine the matrix of which products are best (depending on the product spot in its' lifecycle), which physicians should be chosen to participate for highest ROI, format of eDetailing, which markets to pilot in first. Other areas to consider are what metrics are being used to measure the ROI, how are these metrics used to calculate ROI, who calculates the ROI, and is Europe different from the US in terms of what kinds of eDetailing work best to achieve ROI for physicians and pharmaceutical companies? More details on these are more topics (including global vendor lists and analysis) can be found in the Mednet Media Report1: eDetailing: A strategic analysis of implementation and ROI.

*For help with planning, vendor choice, physician segmentation and recruiting, content development and execution, data management and ROI calculation and programme evaluation of eDetailing systems or a copy of our report, please contact Mednet Media <http://www.mednetmedia.com> in any of our offices:*

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***Mednet Media Research Report eDetailing: A strategic analysis of implementation and ROI By Bates, A, and Bailey, E , November 2001***