

The Complete Guide to HCP Marketing

A Prescription for Successful Outreach

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Introduction

The Role of Marketing in Healthcare

Well-dressed and polished sales representatives, million dollar campaigns, TV commercials, and even online advertisements – when you hear the term, “pharmaceutical marketing,” these are likely some of the things that come to mind. However, with ongoing transformational changes in healthcare, the implications of marketing extend beyond captivating physician and consumer audiences.

With healthcare professionals on-the-go, seeing more patients and managing more jam-packed schedules than ever before, the transfer of information via marketing is proving to be a crucial element of innovation in the life sciences industries.

Redefined roles of marketing in healthcare include:



The Delivery of Timely Information

New studies, clinical data, dosing information, and drug safety profiles are being published and updated constantly, posing a challenge for HCPs to stay up to date with the latest, timeliest information. Pharmaceutical sales and marketing initiatives bridge this information gap by providing HCPs with the latest developments in clinical evidence, drug safety and risk profiles.



Addressing Treatment Gaps

New products and innovations in healthcare play a key role in raising awareness of the need for treatments and providing patients with proper care. Marketing and promotional initiatives of these breakthroughs help raise physician awareness of recent clinical practice guidelines, closing the gap between necessary care and care that is actually provided.



Improving Patient Outcomes

Marketing and promotional materials of pharmaceutical products provide value to physicians, entailing FDA-regulated, educational and scientific information about new medicines. These resources, coupled with detailed communications with pharmaceutical representatives yield important discussions and insight in prescribing treatments, products and services to help patients live longer, healthier and more productive lives.

As marketing continues to play such an influential role in healthcare, it is vital for life sciences companies to perfect their go-to-market and outreach strategies.

In this eBook, we will explore the evolution and current state of the pharmaceutical industry as well as the marketing efforts aimed at healthcare professionals. We'll address the increasing regulations in the healthcare industry and challenges of marketing to physicians, as well as preferred communication methods in healthcare and strategies for HCP engagement to maximize both limited timeframes and marketing ROI.

The Evolution of Pharmaceutical Marketing

From face to face sales calls made to physicians during which product “details” were explained, to the introduction of e-detailing, where pharmaceutical sales directors seek to connect with doctors using today’s latest technologies, the industry has profoundly changed over the last several decades.

1960s -1970s: Medicine Made Personal

A simpler time in pharmaceuticals, reps were referred to as “detail men” as a nod to their roles of explaining the approved scientific information, benefits, side effects, and other such “details” to healthcare professionals. These reps worked either by themselves or as part of small pharmaceutical companies. Then, in 1969, the FDA issued stipulations regarding how pharmaceutical companies could market their products. In addition to impacting the sales call, these rules mandated that all prescription drug advertisements must not be false or misleading, describe both the risks and benefits, include facts relevant to the uses, and have a summary on the drug’s label mentioning all risks.

1980s: Medicine Meets the Media

Changes in politics and culture helped to bring direct-to-consumer marketing back into the limelight, giving drug companies an opportunity to appeal to the end user – the consumer. In 1981, Merck ran the first modern direct-to-consumer print ad, while Boots Pharmaceuticals ran the first ever direct-to-consumer TV ad for a prescription drug just two years later. By 1985, the FDA had been monitoring this rapid rise of media and established regulatory jurisdiction over all direct-to-consumer drug ads.

1990s: The Big Boom of the Pharmaceutical Market

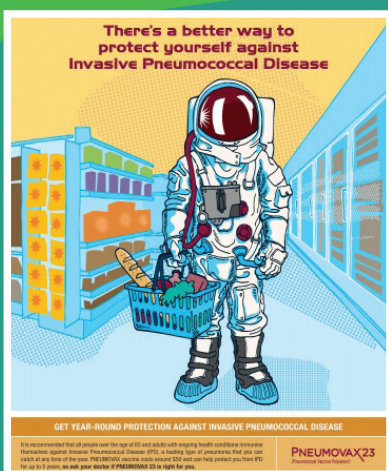
By 1990, the pharmaceutical industry had grown to become easily the most profitable business sector in America with direct-to-consumer marketing spend topping \$1.2 billion by the end of the decade. Advancements in information technology made it simple to track prescriptions, as market-research firms collected script-related data from pharmacies and hospitals to sell to pharmaceutical companies. With reps gaining insight into which prescriptions doctors were writing, multiple reps began to call on the same doctors. “Share of voice” became an important metric, and reps often treated their doctors to dinners, shows, or sporting events as an opportunity to build relationships and discuss their products.

2000s: Big Money, Big Pharma

At the turn of the millennium, America’s pharmaceutical sales force doubled to a total of 90,000 reps. Big pharma was on the rise as the combined profits of the top ten pharmaceutical companies in the Fortune 500 exceeded combined profits of the other 490. Direct-to-consumer marketing spend once again climbed to a total of \$5 billion, but eventually fell for the first time since the late 90s, largely due to the 2008 financial collapse and economic shutdown.

2010s: The Aftermath of the Empire

In recent years, many leading drugs have gone generic, and with that, the profitability of “Big Pharma” significantly decreased. The number of US sales reps that once touted 90,000 plummeted to just under 30,000 as companies were left scrambling to obtain good products to promote. Today, many new drugs are joint ventures among multiple companies as the cost to bring a new product to market generally exceeds \$1 billion. Some Life Sciences companies have merged, been sold or purchased by Consumer Goods companies to offset these costs.



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Defining the Challenges: Marketing to Doctors

While changes and advancements over recent decades have transformed the pharmaceutical industry, the average US doctor now controls an estimated \$2 million in healthcare costs per year. As a result, more and more companies are racing to reach them. But to break through in this crowded space, marketers must first address some key challenges.

Doctors are Busy & On-The-Go

Payment cuts over recent years have resulted in a sharp downturn in revenue for hospitals and private practices alike. To maintain income levels, physicians have needed to see more patients. With 80%¹ of physicians reporting they are either at capacity or overextended, it is no wonder they don't spend much time at their desk or a computer. From performing surgeries, to sleeping in the on-call room, and writing prescriptions, today's healthcare professionals lack the time to see any additional patients, let alone talk to sales people.

Marketing to Doctors is Expensive

Marketing to doctors isn't cheap – just take a nod from the pharmaceutical industry, which boasts an annual \$6 billion in advertising spend. With limited access to doctors and more regulations than ever before, more and more industry players are turning to digital marketing methods. While innovations in digital marketing are on the rise, it is important to keep the costs of such initiatives in check.

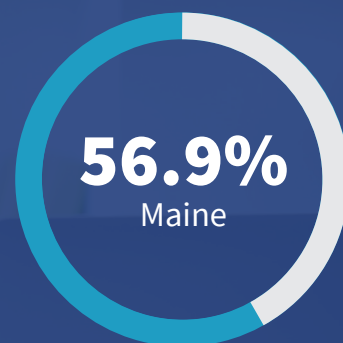
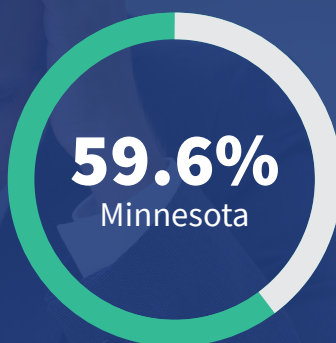
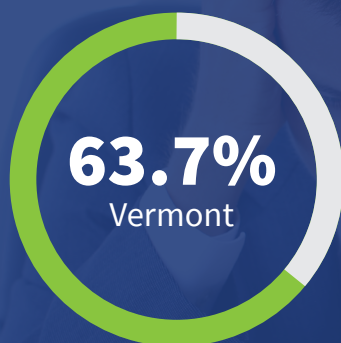
Regulations are on The Rise

Well beyond the renowned Sunshine Act, compliance laws and policies governing pharmaceutical representative access and interactions with healthcare professionals exist today at federal, state, and local levels. While many states have implemented regulations with respect to the way physicians and medical companies interact, New Jersey became the first state to propose capping physician incomes from drug companies to \$10,000 per year. At the local level, healthcare institutions and Academic Medical Centers (AMCs) have created policies regarding pharmaceutical representative access and interactions with healthcare professionals.

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Percentage of Physicians Not Seeing Drug Reps

Top Three States¹



The Sunshine Act: Casting a Shadow on Pharmaceutical Marketing?

Effective August 1, 2013, The Open Payments Program of the Sunshine Act has mandated the reporting of all “payments or other transfers of value” to healthcare professionals. The foundational intent of the legislation is aimed at increasing transparency between pharmaceutical manufacturers and physicians or hospitals, to prevent what may be perceived as conflicts of interests.

In disclosing the financial relationships between the medical industry and healthcare providers, the act contains stringent rules, requiring that **all payments to physicians exceeding \$10 be reported**, whether for:



Consulting



Research



Speaking Engagements



Travel and Entertainment



Meals

As a result of the Open Payments Program, health systems and hospitals alike have grown wary of drug reps. The once amicable relationships of physicians and pharmaceutical reps fully stocked with samples, lunches and camaraderie has become distant, as many hospitals and health systems now prevent sales people from visiting their physicians. In fact, the percentage of physicians who do not permit access to salespeople peaked at 40.6% in 2017, up from just 22.9% in 2010².

While pharmaceutical organizations have long been envied for their large marketing budgets and seemingly endless spending, such practices are coming to an end. With regulations making it even harder for reps to access doctors, The Sunshine Act has forced companies to rethink and refashion their marketing strategies and actions, driving them to become more nimble, cost-effective, flexible and responsive.

Preferred Communication Methods in Healthcare

With more and more practices hanging that infamous sign on the door, instituting “No See” days for industry reps, companies must adapt and shift their efforts to pinpoint channels to reach physicians. To ensure that medical professionals can access important drug information and industry updates, companies need to utilize other forms of marketing not only to keep up with changing habits and physician preferences, but to maintain compelling long-term communication with healthcare providers.



Mobile-Friendly Emails

In a recent survey, 66% of MDs and 75% of NPs and PAs reported email as their preferred channel for receiving industry news, product updates, and research opportunities³. But in today's market – simply sending an email is not enough. With the growing number of physicians becoming mobile-first, companies need to optimize emails for a variety of devices, from desktop computers to mobile phones and tablets. This enables doctors to look over product materials from their preferred platforms – anytime or anywhere during the day.



2: www.skainfo.com/reports/access-to-physicians
3: www.healthlinkdimensions.com/guides/annual-hcp-report-2017/



Professional Conferences

In their limited time away from their practices, physicians attend conferences to improve the quality of services and products they provide in their offices. Whether it be continuing education sessions or association-sponsored social events, conferences present a great opportunity to network and gain face-to-face time with doctors who are interested in learning more about market offerings that can benefit their patients. When attending these events, companies need to make sure their presentations are short and sweet, starting with the most salient points to keep the physicians' interest.



Direct Mail

Even in today's digital landscape, direct mail remains in practice – and for good reason: it works. Physician mailers can be of several forms, ranging from postcards to tri-folds to brochures to short newsletters. The key objectives to the success of a mail piece is that the content is specifically tailored to physicians and that the piece include important information that can later be used as a reference. In fact, 50% of NP/PAs and 46% of MDs use printed educational materials frequently in their practices³. With this in mind, aim to educate your targeted HCPs rather than just trying to sell them.

Strategies for HCP Engagement: Delivering Value

At the end of the day, all healthcare providers share a common goal – to improve patient outcomes. And with the shift from fee-for-service to value-based care becoming more widespread, pharmaceutical companies and other life sciences organizations are stepping in, providing authoritative, clear and useful materials that healthcare professionals can share with their patients. With 63% of NPs and PAs and 55% of MDs feeling that patient-centric initiatives are having a positive impact³, access to credible sources of information and support materials remain in high demand. As patient loads and administrative requirements continue to increase among providers, companies can capitalize on the opportunity to lessen the burden by helping to inform and offer patient support from diagnosis all the way through treatment.

With life sciences companies having long been seen as researchers and sources of information, doctors are increasingly looking to them to take on a role as educators, making information easily accessible to everyone – both physicians and patients alike. New technology and innovations in digital communication provide ways to deliver information that meet the needs of each individual in a relevant and timely fashion across multiple channels and on any device.

Beyond educational information at the patient level, healthcare professionals strongly prefer messages that contain educational content as well. Whether these materials take the form of studies, detailed breakdowns of new products, or collected insights on patient demands, the information should be presented as beneficial to physicians in making buying decisions and communicating options with patients. Continuing medical education events are also important to HCPs, as they provide opportunities to learn more about their industry to better serve their practice.

“

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Maximizing Time with HCPs

Delivering valuable information and effective communications all starts with understanding your target HCPs at the individual level, taking into account their busy schedules. With crowded waiting rooms, patients to see, and results to review, today's healthcare providers are busier than ever before, leaving little time for sales people to pitch their products. The ability to demonstrate a solution to make an HCP's clinical or professional life easier is the first, and arguably most important factor in determining how much time is granted to meet with an HCP.

Have a Unique Selling Proposition

Doctors are skeptical – after all, they've heard it all before. Establishing a unique selling platform enables companies to brand their products in a way that highlights the unique problems they solve. As the saying in pharmaceuticals goes, "What you launch is what you live with," so it is important that product names, colors, and sales collateral are carefully thought out to convey the right message to appeal to the audience that can benefit most from the product.

Make it About Them

Doctors spend their days helping people – how can you help them? When it comes to marketing to doctors, it's important to address their needs, going above and beyond using information such as practice demographics and hospital affiliation. With decades of specific training, knowing a doctor's clinical or academic focus is key to targeting messages most effectively.

Be a Problem Solver

Among many other things, doctors are problem solvers by trade. Knowing the problems and issues of particular HCPs enables organizations to identify and demonstrate how their products or services can help. Rather than the traditional product-based approach, adopting a problem/solution based approach differentiates marketers from other sales professionals and demonstrates a deep understanding of the HCPs job roles and patient interactions.



Accurate Data – The Key to HCP Marketing Success

The future of healthcare marketing will come with an emphasis on digital engagement and increasing competition – all while keeping a sharp focus on compliance. In today's regulated environment, it's no longer viable for marketers to discuss their products with healthcare providers face-to-face. In today's digital world, effective healthcare marketing starts with the right data.

To maximize the success of outreach efforts, data needs to be clean, accessible and up to date. While incomplete and erroneous customer data can result in thousands of wasted marketing dollars and lost opportunity, accurate data can maximize response rates, lower the cost of your important communication with HCPs and generate the leads you need.

Healthcare data append services add depth of information to customer lists, while list hygiene and data enhancement services fix outdated information and identify new opportunities with National Change of Address, Delivery Sequence File, Delivery Point Validation, address correction, phone and email append and more.



Data Append

Match information to customer lists such as demographics, financial, ethnicity, buying habits and more – for truly dynamic, customized communications



Real-Time Physician Verification

Access healthcare professional data in seconds, including physician names and license numbers, to check information without slowing the sales cycle



Data Processing

Update lists with current postal regulations to increasing savings, list deliverability and response rates



Kaiser Permanente Suppression

Flag lists for all healthcare professionals and locations in the Kaiser managed care network

With the ongoing transformation of the healthcare industry, it is more critical than ever for marketers to truly understand their audience and communication preferences. Focused, targeted marketing campaigns attract the attention of HCPs in spreading the word about new pharmaceutical products and services and is a valuable, integral part of any company's initiatives. The more precisely an audience can be targeted, the easier it is to create compelling messages that stand out from the stacks of generalized marketing materials.



Key Takeaways

If healthcare professionals are a target in your marketing plan, **identify**, **target** and **engage** are the three keywords to successfully get your message in front of them.



Identify

You can't reach them if you don't know who they are. The American Medical Association (AMA) Physician Masterfile, available only from select database licensees, is considered the definitive physician database. Expand your reach by including mid-level providers such as nurse practitioners and physician assistants, pharmacists or nurses.



Target

Geography, specialty and subspecialty represent basic targeting strategies. But your product, service or partnership may be better served by filtering down to the most appropriate target audience by using information such as practice demographics and hospital affiliation. Microtarget by identifying writers of drug categories or specific agents; or by using diagnostic (ICD-10) and/or procedural (CPT) codes for exciting, relevant and specific campaigns.



Engage

Start the dialog. You can reach physicians using a combination of online and offline channels, based on individual preferences. Build customer profiles so that you know not only what to communicate, but how and when, so that you are delivering the right message, at the right time and in the right channel.



About Redi-Data, Inc.

Redi-Data, Inc. is a leading provider of healthcare professional, consumer and business postal and email lists. As an official database licensee of several leading professional associations, including the American Medical Association (AMA), Redi-Data provides physician information from the most trusted names in medical marketing. Clients across varying industries use Redi-Data's high-quality lists, data services and turn-key marketing solutions to reach their target audience accurately and affordably. Headquartered in Fairfield, NJ, Redi-Data has sales offices in Marlton, NJ and Sunrise, FL.

Redi-Data...Turning the Best Data into Better Business