

Increasing Market Share in a Highly Competitive Environment (for small & medium sized pharma companies)

By
Larry Miles

The challenges to achieving share of voice, and subsequent market share points, in today's environment are greater than ever. Meaningful interactions between physicians and sales representatives remain elusive. Economic restraints brought on by reduced budgets, an increased regulatory environment, and finally, the unknown impacts of pending legislation have made this task even harder. Effectively communicating valuable information to healthcare providers about drug products and devices, however, remains the critical task facing the marketing and sales division of every pharmaceutical or biotech company.

This article details a specific case that could serve as a model for companies desiring to trim costs while simultaneously reach targeted healthcare providers with a specific message. Additionally, this case study could serve as a model for companies seeking to increase their overall return on sales and marketing investment. The techniques detailed in this case study and article incorporate the intelligent use of physician level prescribing data in combination with direct mail through the US Postal Service (USPS), a telesales platform, and a small sales force. The costs involved in the integration of these three platforms is significantly less than the cost of reaching the targeted physicians through the traditional "big pharma" sales force model. Benefits of this approach are reduced cost, reduced management involvement, higher return on investment, and the ability for smaller companies to penetrate larger markets.

Traditionally the battle for share of voice has been purchased, through larger and larger sales forces, augmented with Medical Science Liaisons and heavy direct to consumer advertising. While not ineffective, these methods are very expensive and are generally accompanied by a long timeframe associated with return on capital expenditures. More recently, attempts to integrate digital forms of communication including emails, email blasts, and social media have been added to the marketing mix. While these methods are certainly established, they are currently more of an augmentation to traditional efforts, and in most cases, have proven that they require a significant level of expertise, and have not yet to showed the promise of return on marketing investment when used on their own.

As previously stated, the procurement of massive direct to consumer media buys, or the deployment of a major nationwide sales force, are both out of reach for nearly all small to medium sized pharma companies. While niche marketing efforts, pricing strategies with wholesalers, digital efforts and the hope of co-promotion opportunities, still remain, they are not reliable, standalone, long-term techniques upon which to build an overall sales and marketing strategy.

The remainder of this article will detail another option that has shown success and may prove to be an effective alternative for those companies looking to expand beyond the traditional options outlined above.

Company: PBM Pharmaceuticals

Product: Animi 3

Partner Vendors:

Design Marketing Group: developed campaign concept, produced and executed direct mail collateral.

Telesales Specialty Group: conducted

targeted follow-up and appointment setting with select HCPs

Contract Sales Force: fulfilled appointments through face-to-face interactions with HCPs who requested and set appointments through the telesales platform.

Data Source: IMS Xponent

Methodology

The Design / Marketing Group developed a series of eight pieces of marketing collateral tailored for direct mail (through the USPS) designed to “break through the clutter”, and deliver the products core message. These pieces included patient profiles, special “leave-behind” product brochures that highlighted patient type, and national guidelines, as well as a series of, “message-at-a-glance” oversized postcards. Each piece that was mailed in an envelope also included a sample request form. Specialized copy writing was utilized to increase open rates and gain the attention of prescribing HCPs.

Following the initial mailing, the telesales platform was immediately engaged to contact top decile prescribers to inquire if they had received the literature and if they had ordered samples. Approximately ten days after the first mail drop the initial sample request cards began



being received. At this point the telesales platform was engaged to call every HCP who requested samples. During the phone conversation, the telesales representative confirmed the sample order, requested the opportunity to speak with the prescribing HCP, and asked if the office would like a live visit by a professional product representative.

Results (Initial & Final):

It became difficult to track results solely from the first mail drop (1st piece of marketing collateral sent) since subsequent drops continued every 2 weeks, and the telesales activity once begun, extended through the life of the campaign. Nevertheless, in the first two weeks of telesales activity, nearly one hundred percent

of sample orders were confirmed, multiple practices accepted the opportunity for live conversations with the prescribing HCPs, and numerous practices scheduled live visits from a representative.

The final results of this initial campaign were impressive

by several measures. The actual campaign began with the first mailing in June 2011 and ended with the final mailing of the campaign at the end of August 2011. Sample request cards continued being received for more than 90 days after the last scheduled mailing. The campaign generated significantly higher than expected results for core sales activity based on: telesales conversations with HCP offices, and scheduled appointments with sales representatives. The real results of the campaign however were evidenced by increased product Rx's and subsequent sales. Product sales for Q2-2011, and Q3-2011, were as follows based on year over year sales data:

2010 – average monthly product sales (Jul, Aug, Sep) - \$48.3K/mo

2011 – average monthly product sales –(Jul, Aug, Sep) - \$79.3K/mo

Additionally, this 64% increase in sales month over month (2011 vs. 2010) continued into the 3rd quarter (Q3) of 2011.

Based on the success of the initial campaign, subsequent campaigns were developed and executed based upon other product indications, and different patient types. The exact same campaign was also used on lower decile HCPs (based on Xponent data) within the same indication and patient type. Finally, this same methodology was applied with similar success to other products lines in the companies overall portfolio of products.

As an addendum to the initial campaign, a subsequent mailer was developed (a postcard: message-at-a-glance / combined with sample reply card) that took advantage of the share of voice created by the initial campaign, by simultaneously delivering a short product message, as well as a sample reply card in an extremely cost effective manner.

The overall success of these campaigns is evidenced, not only by the results recorded here, but additionally by the fact that the client company has continued to utilize this practice and has subsequently, significantly expanded the program.

Success Indicators



In a post review analysis of the entire process conducted by the client company, several key indicators of success were noted. An extremely close working relationship between the: Marketing Group, the Telesales Group, and the Contract Sales Force developed. All three groups participated in product training sessions, as well as sales collateral training sessions. Communication between the Marketing Group regarding drop dates for mail pieces and the Telesales group was critical (and in this case flawless). Finally, all members of the team remaining nimble, flexible, and able to adjust quickly led to additional synergy in the overall campaign. (Evidenced by designing, producing, and executing the additional self mailing sample BRC on the fly, in order to quickly take advantage of the share of voice momentum.)

Conclusion

The efficient combination of direct mail, a telesales platform, and a small sales force all working in conjunction, is now a proven technique for developing and maintaining a product's share of voice in a very cost effective manner when compared to more traditional efforts. While obviously not the solution

for every product scenario, this technique may prove very effective especially for small or medium sized companies seeking an economically efficient way to increase share of voice, and ultimately market share for their portfolio of products.



Larry Miles (CV Info)

Current: President /CEO McClung Companies (3 years)

Past: Sales & Marketing w/ Abbott Laboratories (10 years)