



A Publicis Selling Solutions White Paper

What Physicians Want!

Results of a **Sermo** “Hot Spot” Physician Survey



ACHIEVE BEYOND EXPECTATIONS
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Overview of the Sermo Survey

Sermo is *the* innovator in medical social networking. In January 2008, **Sermo** was named Media Brand of the Year by *Medical Marketing & Media* (MM&M). **Sermo** is a free, physician-only, ad-free, online medical community where 60,000 physicians nationwide consult to exchange medical observations and work together to improve patient outcomes.

Sermo is more than just an online community for physicians, right now Sermo is a “phenomenon.”

—Dr. Daniel Palestrant, Founder and CEO of Sermo

The Sermo “Hot Spot” Survey — *How Biopharma Sales Representatives Can Meet the Needs of Today’s Physician* — was conducted in December 2007 with 208 Sermo physicians. Sermo ended the “Hot Spot” survey early because the maximum number of respondents completed the survey prior to the cut-off deadline.

A wide variety of medical specialists completed the survey; the top five included:

#1	Internal Medicine	20.2%
#2	Family Medicine	15.4%
#3	Psychiatry	9.6%
#4	Pediatrics	9.1%
#5	Emergency Medicine	5.8%

Other specialists that completed the survey (comprising 3.4% or less of respondents) included: Allergy and Immunology (1.0%), Anesthesiology (1.9%), Cardiology (0.5%), Critical Care (0.5%), Dermatology (1.0%), Endocrinology (1.0%), Gastroenterology (2.4%), Geriatrics (1.0%), Gynecology (1.0%), Hematology/Oncology (2.9%), Infectious Disease (1.0%), Meds/Peds (2.9%), Nephrology (1.4%), Orthopedics (0.5%), Otolaryngology (1.9%), Pain Medicine (0.5%), Pathology (1.0%), Physiatry (1.0%), Pulmonology (0.5%), Radiation Oncology (1.9%), Radiology (1.9%), Rheumatology (1.4%), Other (3.8%; included General Surgery, Geriatric Psychiatry, Hospital Medicine, Interventional Radiology, and Surgery).

The Survey Theme: “Give Me ‘Better’ Representatives!”

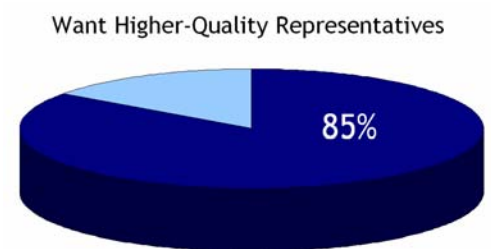
The Chinese use two brush strokes to write the word “crisis.” One brush stroke stands for danger, the other for opportunity. In crisis, be aware of the danger, but recognize the opportunity.

—John F. Kennedy

Quality, Quality, Quality

Physicians’ responses to this Sermo survey made it quite clear that their primary request of the biopharmaceutical industry is for a radical shift in the value proposition provided by the biopharma sales model. Overwhelmingly, responses drove home the theme of increasing the “quality” of sales representatives calling on their practices.

When asked the question of what physicians would like to see “more” or “less” of with sales representatives in order to receive more value, 85% noted that they wanted “more” or “significantly more” higher-quality representatives (defined as more highly trained, “specialty type” representatives). Perhaps most telling was the number of unprompted concerns about increasing the quality of sales representatives, where #96 out of #205 comments (47%) around how biopharma companies could increase representative value spoke to increased quality of sales representatives. The next most mentioned topic for increasing value in unprompted mentions was at #45 (or 22%) – requesting more use of clinical studies and evidence-based medicine in sales calls.



What then does the *better, higher-quality* sales representative look like? In other words, what type of representatives do physicians believe would provide more value and so be willing to spend more of their valuable time with? Quality is an amorphous term, yet the survey respondents do provide us with a profile of what they view as their *ideal* representative.

Transforming the Biopharma Sales Value Proposition

The results of this Sermo survey are a call to action for the entire biopharmaceutical industry. Based upon other numerous reports and surveys, it is abundantly clear that the current biopharma sales model is not serving our customers.

This is truly a *time of crisis* in our industry; however, as the quote above states, it is also a time of tremendous opportunity. Now is the time for change; the time to return to providing real value to one of our most important customers – physicians.

What Does “Quality” Look Like to Physicians?

*Quality in a product or service is not what the supplier puts in.
It is what the customer gets out and is willing to pay for. —Peter Drucker*

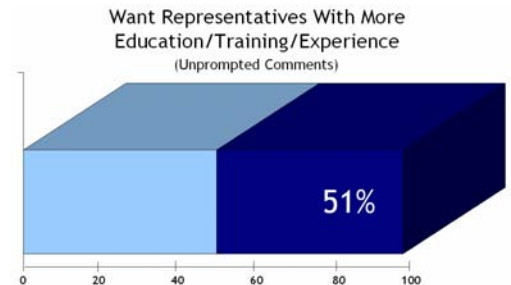
If we were to adapt Peter Drucker’s quote to fit the biopharma industry, it might read something like:

*The quality of a biopharmaceutical sales interaction is not what the company puts into it.
It is what the physician gets out and is willing to spend time for.*

In this survey, three key factors dominated the respondents’ definition of “quality” representatives that provide value to their practices. First, these respondents resoundingly wanted representatives with more education/training and experience to call on their offices. Secondly, physicians wanted their sales representatives to make much greater use of clinical studies and evidence-based medicine in their discussions. And finally, confirming that the biopharma sales “arms war” is officially over, physicians really did feel “less was more” as it relates to the sheer number of sales representatives calling on their practices.

More Representative Education/Training/Experience

One of the continuing themes in describing the types of sales representatives physicians would like to see revolves around the concept of education, training, and experience. In survey comments, over half (51%) of all unprompted responses expressed a desire to see representatives with more education, training, and/or experience.



Selected Physician Comments on Education/Training/Experience

[Be] better trained [and provide] more non-biased research information.

I have found that many sales representatives are not fully versed on the products they are selling.

[Have a] better knowledge of the science.

Just be more educated, not only about the product, but about the disease itself.

I think too many [representatives] think what their company gives them is enough and that they’ve already heard it all by visiting other docs. Know your stuff. Be able to talk about it intelligently.

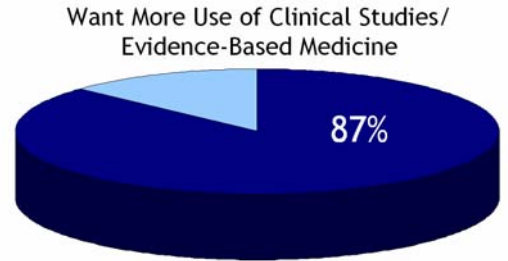
Know their product, know the competing products, and be brief.

What Does “Quality” Look Like to Physicians? (cont.)

Greater Use of Clinical Studies

A full 87% of respondents wanted “more” or “significantly more” use of clinical studies and evidence-based medicine in their discussions with sales representatives.

Surveyed physicians clearly preferred clinical studies to “glossy brochures” and evidence-based medicine-oriented discussions versus promotional details.



Selected Physician Comments on Use of Clinical Studies

[Provide more] clinically based presentations.

I think focusing on evidenced-based data is most important.

[Provide] honest, up-to-date literature.

Have evidence-based literature to support the product.

[Provide] less advertisement and more evidence.

Provide evidence-based literature.

Stick to facts based on clinical studies and approved uses.

I like evidenced-based data presentations when possible.

More evidence-based data need to be presented.

[Provide more] evidence-based facts; scientific information.

[I want more] journal reprints, reporting on all recent developments associated with their drug – good and bad.

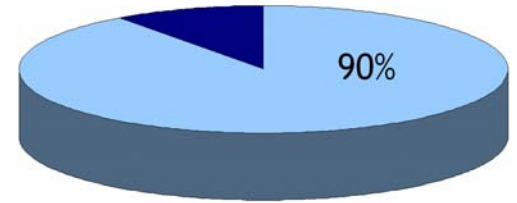
[Provide me with] more comparative data between products with less bias.

What Does “Quality” Look Like to Physicians? (cont.)

Less Is More

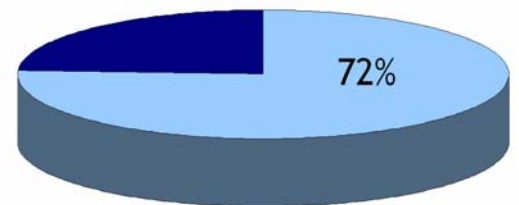
Physicians in this survey were interested not only in seeing high-quality representatives, but also a reduction in the number of representatives calling on their practices. A full 90% of respondents stated that they wanted to see “somewhat less” or “significantly less” total sales representatives in their practices.

Want Less Total Numbers of Representatives



For the most part, physicians also are not fans of the mirrored, or pod, sales teams where several representatives from the same company call on them. Of the physicians surveyed, 72% wanted to see “somewhat less” or “significantly less” mirrored/pod sales teams in their practices.

Want Less Mirrored/Pod Representative Teams



Value in Nontraditional Brand Teams

If anything is certain, it is that change is certain.

The world we are planning for today will not exist in this form tomorrow.

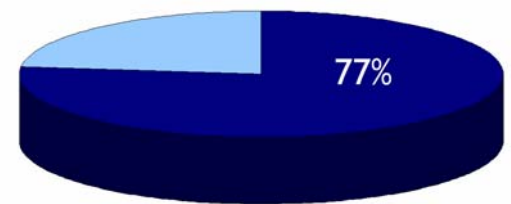
—Philip Crosby, *Reflections on Quality*

Physicians surveyed stated that the newer, innovative brand teams such as those comprising Customer Service Representatives or Clinical Health Educators would provide more value to their practices. In contrast, physicians wanted to see less of the traditional “primary care” representatives. This aligns with the survey response showing respondents requested less numbers of traditional and mirrored/pod sales teams calling on their practices.

Customer Service Representatives

The survey defined Customer Service Representative brand teams as representatives who do not “sell,” but work with the physician’s practice to provide service, such as distributing patient literature and samples. Seventy-seven percent of physician respondents stated they want to see “more” or “significantly more” Customer Service Representatives calling on their practices. Typically, in the Customer Service Representative sales model, a Customer Service Representative is paired with a Clinical Sales Representative. When Customer Service Representatives are assigned with servicing physicians’ practices, Clinical Sales Representatives are highly targeted to focus on educating physicians and other healthcare professionals.

Want More Customer Service Representatives

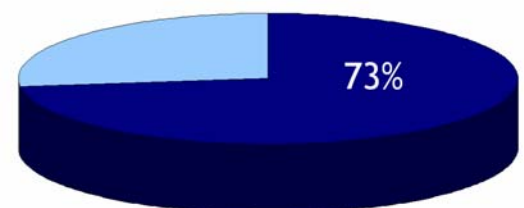


Clinical Health Educators

Clinical Health Educators have been used for many years to cover certain disease states in product categories that frequently deal with adherence and retention (patient compliance) concerns, such as multiple sclerosis and diabetes, where self-administration issues dramatically impact health outcomes. Clinical Health Educators are healthcare professionals – such as Registered Nurses (RNs) or Diabetes Educators – who educate physicians, staff, and patients to optimize treatment outcomes.

In this survey, 73% of physician respondents stated that they wanted to see “more” or “significantly more” Clinical Health Educators calling on their practices and/or working with their patients. This high level of interest in Clinical Health Educator programs could signal a huge opportunity and unmet need for sponsors with products in chronic disease states that typically have not used Clinical Health Educators.

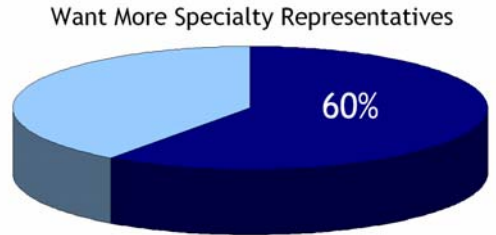
Want More Clinical Health Educators



Value in Nontraditional Brand Teams (cont.)

Specialty Sales Representatives

Surveyed physicians expressed preferences for specialty representatives (over traditional primary care physicians), with 60% noting that they would like to see “more” or “significantly more” specialty representatives calling on their practices.



Traditional Sales Representatives

Of physicians surveyed, 69% noted that they wanted to see “less” or “significantly less” of traditional “primary care” sales representatives. This response aligns with the response to the question regarding the total numbers of representatives calling on a practice in which 90% expressed that they wanted to see “less” or “significantly less” total numbers of sales representatives calling on their practices.



Physicians' Communications Preferences

The most important thing in communication is to hear what is being said.

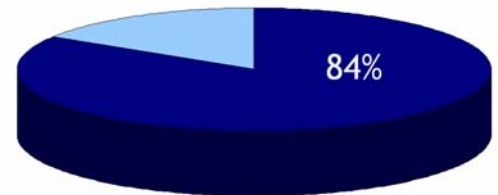
—Peter Drucker

Physicians surveyed noted four key communication vehicles (other than sales representatives) that the biopharma industry should implement to contact physicians: disease state-oriented websites for healthcare professionals, continuing medical education (CME), product-focused healthcare professional websites, and peer-to-peer communications.

Healthcare Professional Disease State Websites

The communication vehicle receiving the most favorable responses was for more disease state websites designed specifically for healthcare professionals. A robust 84% of respondents stated that they wanted “more” or “significantly more” availability of high-quality, disease state websites designed exclusively for healthcare professionals.

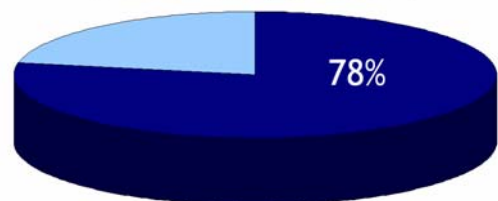
Want More HCP-Specific Disease State Websites



CME

While not surprising, this response certainly emphasizes the importance physicians place on industry-sponsored CME. Of physicians surveyed, 78% noted that they wanted “more” or “significantly more” availability of industry-sponsored CME activities, making this the second most desired communication vehicle (outside of sales representatives).

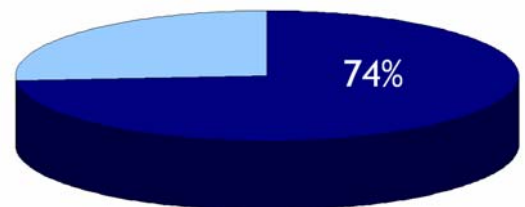
Want More Industry-Sponsored CME



Healthcare Professional Product (Branded) Websites

Three quarters (74%) of survey respondents stated that they would like “more” or “significantly more” availability of branded websites designed specifically for healthcare professionals.

Want More HCP-Specific Product Websites



As the majority of marketing prescription brands currently offer healthcare professional sections on their websites, this

Physicians' Communications Preferences (cont.)

Healthcare Professional Product (Branded) Websites (cont.)

invites many more questions than it answers. *Are the existing branded healthcare professional websites:*

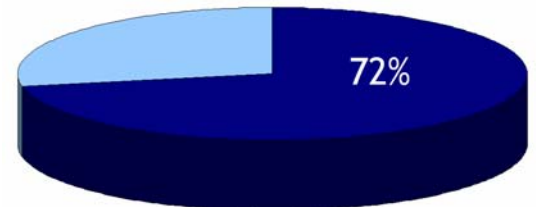
- *Not meeting the needs of prescribers? If not, why not and how can they improve?*
- *Not generating enough awareness / website traffic from healthcare professionals (who may not be aware of the resources available to them)?*
- *Not optimally navigable by healthcare professionals – allowing them to find the information (they obviously want) quickly and easily?*

While these questions won't be answered through this survey, this issue merits additional research. It appears that branded (and disease state) healthcare professional websites are highly desired by physicians. Yet there is an obvious gap, at least in the branded website arena, in what physicians say they want and what is currently being provided.

Peer-to-Peer Communications

Of physicians surveyed, 72% stated that they wanted “more” or “significantly more” industry-sponsored, peer-to-peer education and consultation (via MDs, PharmDs, RNs, etc.). This finding certainly aligns with the stated preference for more Clinical Health Educators noted by 73% of respondents.

Want More Industry-Sponsored Peer-to-Peer



However, this again brings up more issues for further research in the peer-to-peer communication arena.

How can the biopharma industry best utilize healthcare professional to healthcare professional communications to better provide value to prescribers?

While this is a question for another survey, it is an intriguing opportunity for further investigation.

What Else Do Physicians Want?

Underpromise; overdeliver. —Tom Peters

While not as significant as the other factors mentioned earlier, unprompted comments in the survey do indicate several other factors of importance to physicians.

Knowing the Physician's Practice

A number of comments garnered from the survey indicate that many physicians want sales representatives who intimately know their practices – their patients, staff, managed care issues, and practice needs.

Selected Physician Comments on Knowing the Physician's Practice

[I would like to see representatives] directing the data of their product toward my patient population in particular. They could work with me to identify the uniqueness of my patients and then how their product benefits them specifically.

[Sales representatives should] know about the physician they are detailing – not just their Rx practices.

Above all, [representatives should] understand the needs of particular practices and tailor their approach to fit.

[I want representatives to] remember what we talked about last time, follow-up, etc.

Samples and Patient Literature

While not surprising, samples and availability of patient literature were mentioned by a number of respondents in unprompted comments.

Fair Balance and Ethics

And finally, while a relatively small number of comments were received on this issue (7% of respondents), the fact that these comments were completely unprompted (not influenced by direct questions on this issue) is significant. Physicians who make comments relating to ethics, honesty, and fair balance made some impassioned arguments. Considering the current (low) public approval ratings of the biopharmaceutical industry, these comments need to be taken seriously. Additionally, the issue of ethics relates very directly to that of representative "quality," which was the resounding issue coming out of this survey.

What Else Do Physicians Want? (cont.)

Fair Balance and Ethics (cont.)

Selected Physician Comments on Fair Balance and Ethics

[I] don't [like sales representatives to] badmouth the competition, but offer insight to the use of their products.

[I want more] sales reps that are more open to be honest about the limitations of the drug they are promoting.

I do not really trust the data [my sales representatives] provide.

Too often, the rep's idea of detailing is to basically tell you that their product is the only real choice and that anything else a doctor does is wrong, substandard, erroneous, or not according to guidelines. Excuse me, I am the doctor – not the rep.

So... Where Do We Go From Here?

When you come to a fork in the road, take it.

—Yogi Berra

The New Biopharma Sales Value Proposition

Now is clearly the time and place to create the new value proposition for the biopharma sales model. The old model served us well for many years. But it is now broken and is no longer serving our customers.

What considerations do we have in crafting our new value proposition? For one, we have many more customers than we once had; what was once almost entirely all about the physician has expanded to an abundance of potential customers. While physicians will always be a key customer, we now must also focus our attention on many other diverse groups, as listed below.

A Growing Array of Biopharma Industry Customers

- Physicians
- Physician extenders (eg, nurse practitioners (NPs) and physician assistance (PAs))
- Patients and caregivers
- Managed markets – including managed care organizations (MCOs); preferred provider organizations (PPOs); pharmacy benefit managers (PBMs); hospitals, hospital systems, and group purchasing organizations; VA/DoD; state and managed Medicaid; Medicare Part D payers; and more
- Government payers and influencers
- Pharmacists – increasingly important and the emerging behind-the-counter (BTC) product category continues to grow
- Retail clinics
- Employers

In addition to addressing the growing list of customers, biopharma also faces the issue of deciding what sales model best achieves a given company's objectives, with the best return on investment (ROI), while also providing value to all of our customers. All this leads to a variety of questions, including:

- *What does "the new biopharma sales model" look like?*
- *How do we identify the best sales model for our specific business?*
- *How do we transition to the new model?*

So... Where Do We Go From Here? (cont.)

Testing the Waters—The Importance of Adaptive Initiatives

Many biopharma companies are already well underway in their approach to designing their new sales model through the process of adaptive initiatives (pilots). Adaptive initiatives provide the benefit of testing a variety of potential sales models to determine which provides the best value and return-on-investment (ROI).

The Sales Force of Tomorrow

Based on the results of this Sermo survey – and well supported by other surveys and reports--tomorrow is now here. The old sales force model is no longer serving any of our key customers and hasn't for some time. The response to this survey would indicate that the new sales force model – whatever it actually looks for a given company – would have many of the following characteristics:

Key Characteristics of the New Biopharma Sales Model

- Highly trained and experienced, professional brand representatives that provide true value to physicians and other customers
 - More robust initial training and intensive, ongoing professional development
 - Increased focus on consultative sales skills designed to provide value in physician interactions
 - Greater use of credentialed brand representatives (eg, PharmDs, RNs, etc.)
- Field sales interactions that are primarily based on clinical studies and results from evidence-based medicine
- Less total numbers of “traditional” sales representatives calling on physicians
- The addition of different “types” of brand representatives in addition to traditional sales representatives, such as customer service representatives, clinical health educators, managed markets account teams, etc.
- Greater use of communication via the Internet and other digital communications to augment field interactions

Success usually comes to those who are too busy to be looking for it.

—Henry David Thoreau



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