

A WHITE PAPER ON

THE CURRENT STATE OF SALES REP PROMOTION

Four Key Trends in a Post-COVID-19 World

JULY 2022

When it comes to HCP marketing, the life sciences industry has historically taken a relationship-first approach. Sales rep details have long been considered the most effective mechanism for engaging customers, and so field forces have often formed the bedrock of a brand's strategy to drive scripts. However, the COVID-19 pandemic accelerated a slow - but already present - trend of declining face-to-face visits in favor of increased digital engagement.

More than two years after the pandemic, these competing dynamics call into question how marketers should think about building their sales rep strategy moving forward:

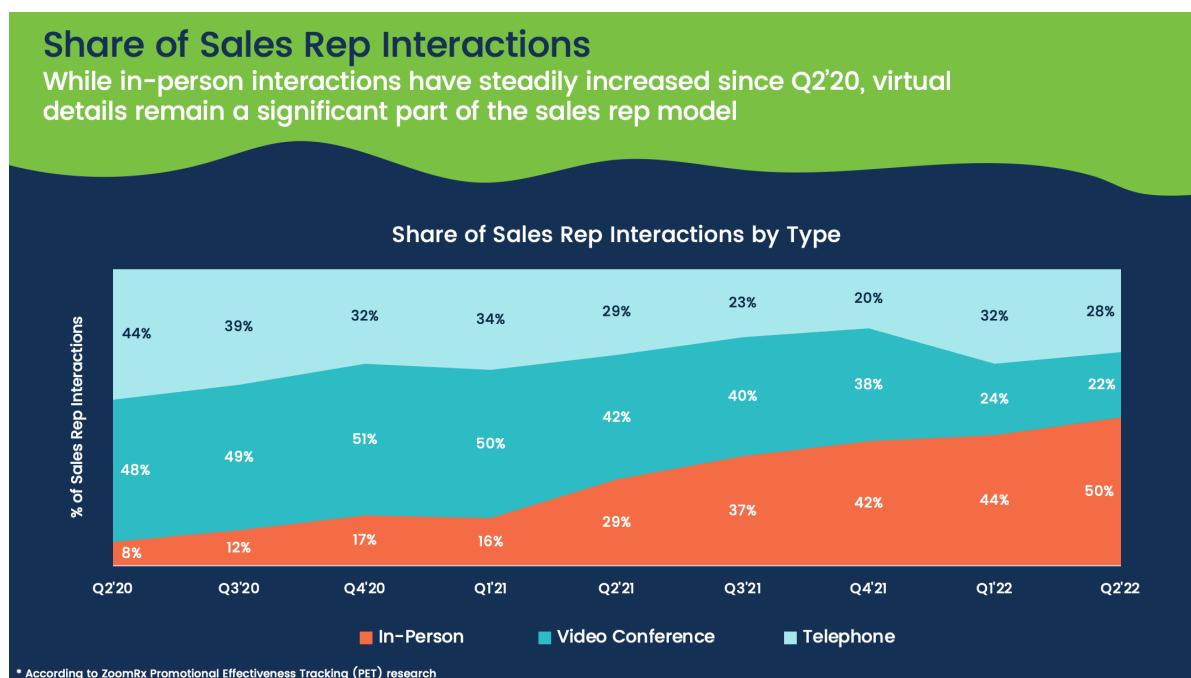
- Will in-person visits ever rebound to pre-pandemic levels?
- How are sales models being recalibrated in the aftermath of COVID-19?
- How is the hybrid approach impacting different customer segments?
- What lessons can be learned from this digital revolution?

To answer these critical questions, ZoomRx analyzed >32,000 in-person and virtual sales rep interactions since Mar 2020. As we examined the impact of the COVID-19 pandemic on sales rep promotion, four major trends emerged:

1. The proportion of in-person vs virtual sales rep interactions has reached an equilibrium

In the immediate aftermath of the pandemic, life sciences organizations were quick to respond to the challenges of a socially-distanced world. Virtual details (i.e. video conferences and telephone calls) replaced nearly all in-person interactions in Q2'20, with companies rapidly training sales reps on the use of remote tools to stay connected to physicians.

However, each quarter since then, the proportion of in-person detailing has steadily increased, while the proportion of virtual details has declined. This trend has culminated in a near 50/50 split of in-person vs virtual interactions in Q1'22. In addition, between the two types of virtual details, the share of telephone calls have surpassed that of video conferences for the first time since the onset of the pandemic.

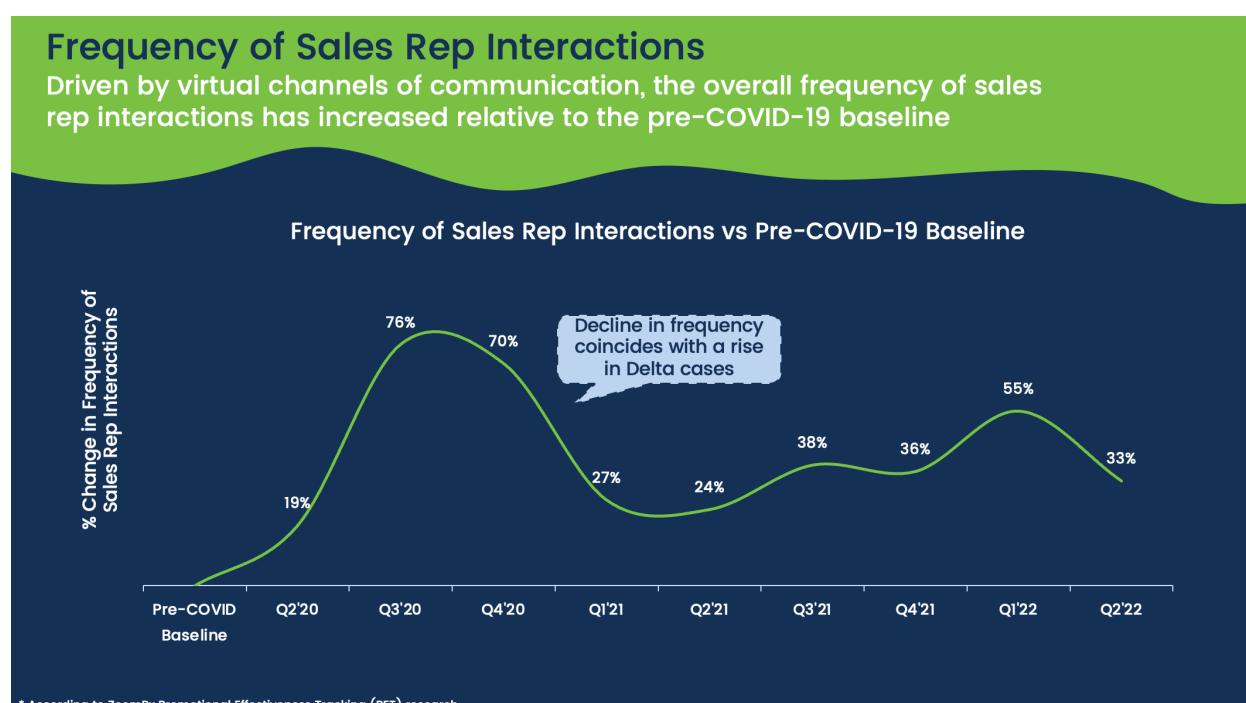


Two years after a dramatic and rapid expansion of remote outreach capabilities, the life sciences industry now sits at a 50-50 equilibrium between in-person and virtual interactions. Although in-person sales rep visits have steadily increased each quarter since Q2'20, virtual detailing will remain a critical component to driving effective customer interactions.

2. Virtual engagement has driven an increase in the frequency of sales rep activity

While the COVID-19 pandemic changed many of the ways in which life sciences organizations engaged their customers, there were also some inherent advantages to the virtual sales model. As working hours devoted to travel declined sharply, sales reps were able to use remote outreach channels to meet with customer targets on a more regular and frequent basis.

With virtual channels increasing the number of viable sales targets teams could call on, reps could increase their overall activity without the added expense. As a result, the frequency of interactions per quarter is 33% higher in Q2'22 than it was pre-COVID.



Virtual detailing has afforded overall rep activity to increase over time, due to its increased flexibility and fewer resource restrictions (i.e., travel time, cost, etc.). Customers require timely information, and pharma reps who invest in virtual channels will be able to better meet their needs.

3. The advantages of in-person interactions over remote detailing has dissipated

In the months immediately following the outbreak, in-person interactions drove a higher impact on prescribing than virtual detailing. This trend reflected the difficulties in imparting key messaging and driving effective customer relationships via remote channels. As a result, customer perceptions of the overall quality of virtual details consistently lagged those of in-person interactions.

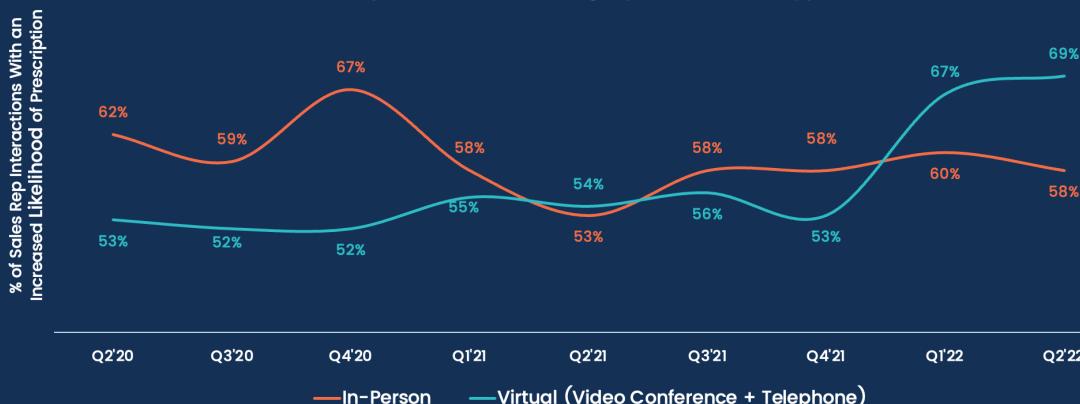
However, as reps became more proficient at leveraging virtual channels to provide meaningful engagement, the advantage that in-person interactions held over remote details began to dissipate. Across most of 2021, these two interaction types were rated on par with one another in terms of impacting MD prescribing behavior. In the first half of 2022, virtual detailing, primarily driven by the impact of video conferences, had overtaken in-person interactions as the most effective channel.

This trend reversal can be attributed to both a stagnation of in-person impact as well as an increase in virtual efficacy. It's possible that as in-person interactions began to rebound in 2021, sales reps relied too heavily on these face-to-face interactions when a virtual detail would have sufficed. In addition, video conferences have the benefit of extended meeting times and the ability to screen share prepared content, both of which can drive effective engagements.

Impact on Prescribing

Although in-person details had a greater impact on prescribing immediately following the outbreak, virtual interactions have since surpassed them in efficacy

Impact on Prescribing by Interaction Type



* According to ZoomRx Promotional Effectiveness Tracking (PET) research

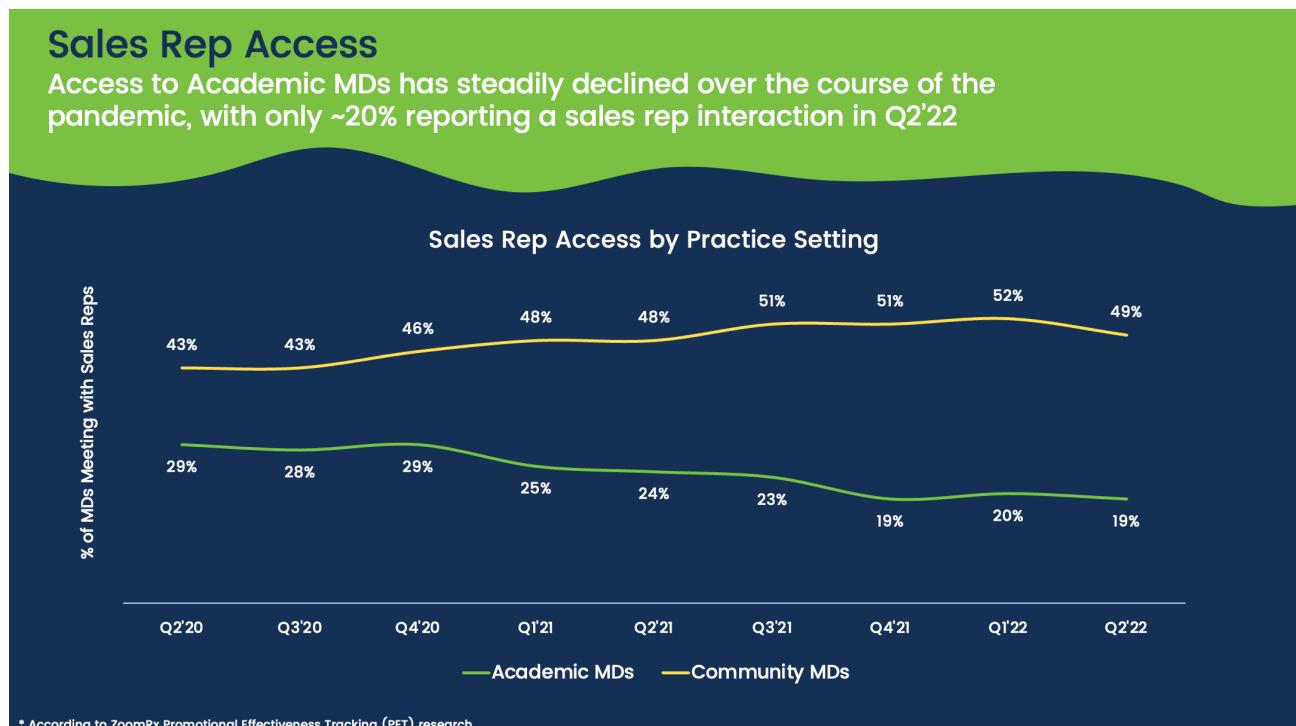
As virtual detailing has become more commonplace, in-person interactions do not always necessarily translate to greater impact. These face-to-face details will require selective and strategic deployment moving forward, largely dictated by the primary objectives of the interaction. As a result, sales reps should look to match the most appropriate communication channel to the content and purpose of the detail.

4. Fewer Academic MDs are meeting with reps

While virtual sales tools have enabled sales reps to reach a larger target audience overall, the pandemic has impacted different customer groups in different ways.

Since Q2'20, the number of Community MDs reporting sales rep interactions has steadily increased. However, in the same timeframe, the number of Academic MDs reporting sales rep interactions has fallen by a third (down to just 19%). In a similar vein, the frequency of sales rep interactions amongst Academic MDs has also declined since the onset of the pandemic. Neither trend can be attributed to those in an Academic setting being less likely to use virtual channels, as a similar proportion of sales rep visits occur via video conference or telephone across the two practice settings.

Taken together, these shifts have caused the total share of sales rep interactions directed towards Academic MDs to reach its lowest point since the onset of the pandemic.



The pandemic has impacted different practice settings in disparate ways, and it's important to go beyond top-level trends to truly understand the market. With Academic MDs becoming more and more difficult to access via sales reps, life sciences organizations will need to embrace an omnichannel model of customer engagement in order to continue to reach this high-leverage population.



CONCLUSIONS

COVID-19 has given life sciences organizations an unprecedented opportunity to implement technology-fueled changes in their customer engagement. Virtual interactions are and will remain a critical component of the sales rep toolkit, and these remote channels can be leveraged to maximize rep reach and call volume while delivering comparable impact vs in-person interactions (if the content is well-matched to the outreach channel).

However, the impact of this changing customer engagement model is variable across customer segments, and a deep understanding of your target customers and their engagement preferences will be critical to maximizing sales impact.

ZoomRx is continuing to track the impact of evolving models of customer engagement within the pharmaceutical industry. Our innovative customer engagement solutions track omnichannel promotions for 475 products spread across 44 indications. You can learn more about this changing landscape and how to better equip your customer engagement strategy by leaving your information below.

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