Reinventing pharma sales and marketing through digital in India

Current assessment, gap analysis and future reality
Table of Contents

Chapter 1. Executive summary

Chapter 2. New issues, new realities
All demanding “new age digital responses”

Chapter 3. Indian pharma’s journey to a digital world has just begun

Chapter 4. Building the customer engagement innovation framework

Chapter 5. Embarking on a digital journey to improve effectiveness
Data unavailability in India is a major roadblock to digitization

Generating ROI from digital is a challenge

People resistance is a major roadblock in effective sales force digitization

Digital solutions such as mobile apps fail to gain traction with physicians/patients

Regulations in India hinder pharma’s efforts to become patient-centric

Forerunners are using digital to effectively capture untapped and unstructured data, making their decision making more agile and robust

Digitization can not only enhance trust, transparency and brand equity, but also generate new revenue streams beyond the pill

Successful pharma players are making people their strength, by “selling” the concept to reps and involving them early in the digitization process

Powerful apps with dynamic, meaningful content and the right value proposition are gaining popularity

Several players, while staying within the realms of regulatory boundaries, are enabling patients to actively manage their care
Executive summary

Since 2000, digital disruption has demolished 52% of Fortune 500 companies\(^1\).

These companies have either gone bankrupt, been acquired or ceased to exist. The pace of transformation has increased, competition has intensified and business models have been profoundly disrupted. This shift is happening at breakneck speed across industries, and pharma can no longer be an exception. Customers have already embraced technological changes, through their many digital touch points, and pharma must look toward digital to reimagine the customer experience.

The urgency of acting is acute. It is time that pharma companies in India took a step back and re-envisioned digital as a core strategic enabler. The first step to commencing on the digital journey is to understand the current state of maturity. To help organizations do that, we have developed the EY Digital maturity Index (EYDI) for Customer Engagement. This is an assessment tool for measuring a company’s digital maturity based on two key dimensions: Organizational readiness and stakeholder engagement.

Also, EY held detailed strategic discussions with 17 leaders from leading pharma majors and hospital corporate chains to get directional insights on the current state as well as vision for digitization in the industry. This further aided in validating and refining the maturity index.

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Indian pharma’s journey to the digital world has just begun

On our five-step digital maturity framework, Indian pharma companies are still way behind their global counterparts. While most Indian companies are still at the “beginners” and “conservatives” stages, globally companies are now cautiously moving toward being “digital practitioners.”

As has been aptly summarized by a senior Indian digital leader, “Whatever was being done manually earlier is now being done digitally. But we are not adding additional value.”

Of the surveyed Indian companies, 53% are still at the “beginners” stage, while 40% are at the “conservatives” stage and only few (7%) have moved toward the “explorers” stage. As has been aptly summarized by a senior Indian digital leader, “Whatever was being done manually earlier is now being done digitally. But we are not adding additional value.” On the other hand, companies globally are now cautiously moving toward being “digital practitioners.”

Digital intent is strong, but execution is not

As per our discussion, 86% of the senior pharma leaders have a strong positive inclination toward digital as a “strategic” rather than a tactical approach. However, lack of a clear digital strategy/value proposition and change management are perceived as the two key barriers to embracing digital.

Data will become the new currency of digital marketing and analytics will be the key enabler

Companies are gradually realizing that a “lot of untapped data at the moment can be tapped only using digital.” With renewed interest among Indian pharma companies in gaining dynamic customer insights and personalizing customer experience, data will form the backbone of sustained and effective digital marketing.

4Ps to be the success factor for digital innovations

Our overall analysis indicates that any successful digital solution will have these four elements:

- **Painless**: Offer hassle-free experience and minimize invasive “push” sales tactics
- **Prompt**: Provide more real-time, dynamic content with two-way communication
- **Personal**: Understand customer journey and co-create with them
- **Purposeful**: Make sure every interaction is impactful and deliver a consistent message across channels

New integrated commercial models will be the new normal

In the long term, Indian pharma majors will grow into integrated health care providers—offering both products and services, forging patient-centric partnerships and demonstrating value to a broad array of customer groups.
New issues, new realities all demanding “new-age digital responses”

Digital will play an ever-increasing role in this era of profound transformations, characterized by increasingly informed patients/physicians, new range of customers and new disruptive entrants. To stay relevant, pharma companies need to adopt a more nimble approach and make data the currency of marketing.
"Customer engagement is the new battle ground"

**Traditional sales model needs a revamp**
Increasing number of reps and brands is reducing access to time-strapped physicians. Thus, commanding a high share of voice is becoming increasingly difficult.

**Digital economy changing behavior**
Patients and physicians translate their experiences from online consumerism into expectations for pharma services.

**New competitive environment**
Increasing number of players engaging via digital. Rise of digital start-ups may challenge pharma’s value creation story in the healthcare ecosystem.

**Expanding customer landscape with distinct needs**
There is now a broader and more diverse group to engage with, moving from only physicians to also including patients, pharmacists and hospital chains.

**EY analysis**
- Personalized
- Convenient
- Engaging
- Transparent
- Trustworthy
- Easy to deal with
- Relevant
The wave of unprecedented change ...

Traditional sales model needs a revamp

The current sales and marketing model is still thriving on age-old sales tactics, with product promotion decisions dominated by the size and structure of field sales organizations. For decades, pharma companies have structurally arranged their sales and marketing functions in much the same way – divided into regions or zones, then into areas or districts and finally into individual sales territories. Medical representatives (MRs) have been the greatest assets of pharma marketers.

With a shift in focus toward more complex or specialty medicines and launch of newer brands, pharma companies continue to add new layers of MRs or medical specialists to increase geographic coverage. The increasing number of MRs/specialists and the number of brands under each of them have drastically reduced the time and quality of sales pitches – from being scientific to mere brand name reminders.

Digital economy changing expectations of physicians/patients

Today's tech-savvy physicians are relying far less on reps and more on digital devices for healthcare information. Only 11% of healthcare professionals in India prefer in-person visits from a company representative, according to a 2016 study by Health Link Dimensions². Even overly cautious patients are arming themselves with medical knowledge available online and gradually relying less on only physicians' decision-making. Thus, the rules of engagement need to be redefined.

New competitive environment

New entrants providing information platforms, analytics, e-consultation services and access to medicine online are challenging pharma's value creation story in the healthcare ecosystem. Pharma companies will have to either enter into smart alliances with these new entrants or risk competing with them.

Expanding customer landscape with distinct needs

Physicians' place at the center of the pharma ecosystem, considered almost the sole-decision makers, is very likely to become a thing of the past with the emergence of a broad array of customers:

- **Super consumers and hospital corporate chains:** The increasing sophistication and awareness of "super-consumers" is increasing the demand for quality care, with high preference for corporate hospital chains, especially for chronic disorders. This has created a new customer group for the industry, where decision-making power is shifting from physicians to hospital administrations.

- **Pharmacists:** Patients' decisions are also influenced by pharmacists, who offer low-cost substitutes due to either higher retail margins or unavailability of the prescribed brands.

...will mandate data to become the new key to digital marketing arena

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Many companies consider deficiencies in the quality and quantity of data in India an impediment to the rapid adoption of digital. However, what they fail to understand is that digitization is the only means of meaningfully amassing and leveraging the huge amount of data being generated every day.

Typical pharma sales reps in India deal with plethora of data day in and day out. There are numerous lists: Doctors and pharmacists to meet, product matrices to be made based on doctors, activities to be planned for each visit, sample order booking to be made with justifications, e-distribution stock lists to be completed and more. The recording does not end there. They have to regularly update inputs on each planned activity such as retail chemist prescription audits, sales activity data, doctors’ feedback, meeting notes and sampling data.

Thus, there is an entire army of sales reps generating volumes of powerful sales activity data on a daily basis that can be captured, aggregated and optimized digitally to generate meaningful and actionable insights.

The time to transform into the agile organization of the future is now, with data as the backbone of sustained and effective digital marketing!
Indian pharma’s journey to a digital world has just begun

EY Digital maturity Index for Customer Engagement: How do you stack up?

It is critical for organizations to have a clear vision of digital readiness across relevant areas of their business to unlock the digital agenda. EY has developed a global industry-wide Digital Readiness Assessment tool with a three step-framework to help clients gauge their digital maturity level. We have further tailored the global index for the sales and marketing function of Indian pharma companies, called EY Digital maturity Index (EYDI) for Customer Engagement.
Digital maturity Index for Customer Engagement (EYDI)

Leading
Disruptors

Established
Explorers
Practitioners

Developing
Beginners
Conservatives
## EY Digital maturity Index (EYDI) for Customer Engagement

### Developing

**53%**

1. **Beginners**
   - No digital strategy in place, old school decision making
   - Limited use of technology to capture rep interaction
   - Digital experiments are limited and conducted within organizational silos with decentralized decision making
   - Traditional digital channels of engagement

### Established

**7%**

3. **Explorers**
   - Some strategic elements relating to digital, but not consistent across the organization
   - Analytical CRM and limited CLM activities enabling more real-time macro segmentation
   - Limited digital coordination across sales and marketing functions
   - Strong digital channels in place, but working independently

### Leading

5. **Disruptors**
   - Focus on being digital, not just doing digital; digital backend and front end processes fully connected
   - Digital innovation is coordinated throughout the organization with a clear coordinated approach to leverage organizational learnings
   - Personalized and connected experience; omnichannel

### Conservatives

**40%**

2. **Conservatives**
   - Selective digital strategies at department level
   - CRM in place for compliance and activity monitoring; limited field automation and basic customer segmentation (using traditional methods)
   - Digital governance at department level; limited integration of digital programs
   - Limited digital channels of engagement

### Practitioners

- Holistic digital strategy established across commercial functions – commercial and medical
- Optimized multichannel engagement, leveraging data to deliver dynamic, advanced customer insights, targeting and experience creation
- Digital, part of the corporate mission; strong governance across the organization
- Coordinated digital channels; multichannel; limited personalization

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Most players are beginners and conservatives, with only few evolving into explorers

Most players are explorers with companies now cautiously making a move toward being digital practitioners
EYDI can provide a deeper comparison between the Indian pharma industry and its global peers on digitization of different aspects in sales and marketing. The essential context it offers can help pharma companies make decisions on digital initiatives, identify priorities and develop a common digital vision.

The assessment evaluates how pharma organizations perform across 15 parameters spanning two key dimensions: Organizational readiness (strategy and culture, governance and capability) and stakeholder engagement (sales reps, physicians and patients).

On the five-point scale of digital maturity, most Indian pharma companies today fall into the “beginners” and “conservatives” categories. Most of them are yet to develop any clear digital strategy and have limited digital channels of engagement. The relatively fewer “explorers” are midway through their digital journey. They have a partially defined digital strategy and are now evaluating the option of scaling up initiatives and capabilities. Overall, the Indian players remain far behind their global peers, many of whom are now cautiously treading toward becoming “digital practitioners.” This is hardly surprising given the conservative nature of the Indian pharma industry. However, the main reason is not lack of awareness, as most pharma executives recognize that digital will have a disruptive impact on the business. In reality, no organization yet bases its strategic decisions on a quantified, granular understanding of digital’s impact on its competitive environment and business model.
What is holding pharma back?

Pharma companies in India have so far focused largely on stand-alone efforts that lack a clear strategic context. The challenges to digital adoption are multiple, reflecting the scope of the evolution that is required. Many of the key hurdles are not technological, but organizational, cultural and regulatory.
### Key gaps stated by pharma executives

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<thead>
<tr>
<th>80%</th>
<th>67%</th>
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<tr>
<td>Digital not central to business strategy</td>
<td>People resistance</td>
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<table>
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<th>87%</th>
<th>73%</th>
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<table>
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<th>75%</th>
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<td>Lack of authentic and enough data</td>
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<table>
<thead>
<tr>
<th>87%</th>
<th>60%</th>
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<tbody>
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<td>Lack of value proposition in solutions</td>
<td>Physician mindset and inertia</td>
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<table>
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<tr>
<th>80%</th>
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<tbody>
<tr>
<td>Lack of value proposition in solutions</td>
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<tr>
<th>60%</th>
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<tr>
<td>Underleveraged sales intelligence</td>
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Clear strategy and governance model not yet in place

Indian Pharma companies will have to create hybrid employees, who can be designated as the Digital Task Force (DTF) – a team of marketing, sales, medical, training, SFE, digital experts and others like supply chain specialists to be able to seamlessly cater to customer needs as they emerge.

Leading Pharma L&D Facilitator

The way forward

- Create a digital task force catering to the evolving customer needs and fostering collaboration
- “Sell” the benefits to employees (sales reps and IT) early in the process, to overcome resistance
- Adopt a “fail fast and fail cheap” approach, to allow nimble learning cycles
- Establish internal policies and effective systems to ensure full regulatory compliance
Most Indian pharma companies today lack a strategic direction to embracing digital disruptions. They tend to get carried away by technology hype, which inevitably fizzles out. Initiatives are often rolled out without clear understanding of stakeholders’ needs and market dynamics. Company X had to face the consequences of such an ad-hoc approach when it empowered its sales reps with laptops for in-clinic communication with physicians in 2010. Within a few months of the launch, the company realized that laptops are not effective tools for in-clinic engagement, considering that the smartphone revolution in India had just begun. The entire initiative was immediately rolled back.

In our discussions, 20% pharma leaders claimed to have some strategy in place but had failed to execute it successfully due to gaps in technology, processes and culture. Most pharma companies in the country do not have a robust analytical platform for connecting internal tools with secondary sources for strategic marketing decisions.

What they also lack is an appropriate governance structure with clearly defined focused groups. Consequently, business units (brand teams) or departments (such as sales and marketing, digital and IT) are building their own digital agenda, creating multiple silos and thus hampering a seamless customer experience as in more digitally evolved sectors such as banking. “Currently, a single doctor is being met by three different sales reps from a company in a day!” – Digital Leader, top 10 pharma company. Digital is now increasingly demanding the creation of new roles such as Chief Information Officer, which are expected to play a more strategic role.

It is important to note that for digital initiatives to be successful, they have to gain employee buy-in.

As rightly pointed out by an Indian pharma leader, “Digital is a revolution and we need to build a culture rather than focusing too much on various apps”

As part of its sales force automation program, Company Y had purchased CRM systems and high-end tablets with GPS capabilities. While the company expected the field reps to be enthused and feel empowered by the use of technology, the reality was different. Within a month of use, the management realized that the reps were not using the tablets, often leaving them behind. A quick investigation revealed the underlying concern that reps did not appreciate being tracked through the tablets. Therefore, the company left the choice of activating GPS to the reps. People resistance can be overcome by selling the idea to reps in the right manner and keeping them involved early in the process.

Sometimes, the resistance to invest in digital comes from leaders, who are either skeptical of the ROI or believe that they can grow without digitization. Contrariwise, some companies have realized the fallacy in expecting immediate ROI from digital initiatives. They have also comprehended the value of digitization in building trust and transparency, which are extremely critical for brand equity.
Stakeholder engagement

Sales force excellence now becoming a foremost digital priority

"The main aim is to increase sales force productivity - a 1% increase adds tens of crores to the bottom line"
Indian Pharma Leader

The way forward

- Upskill reps to make them more responsive and adept at evolving with changing physician needs
- Capture and leverage hidden/untapped sales intelligence from reps’ mind
- Embrace closed loop marketing (CLM) to break out of the traditional sales model
Indian pharma companies today are at different stages in their sales force automation journey – some are still struggling to get their reps on board with mobile or web-based reporting solutions, while many are at various phases of CRM deployment. However, only few are spearheading the game with more analytical, closed-loop CRM systems. Despite where they are in the digital journey, most have a sales force automation leader/head driving initiatives for maximizing sales force efficiency and effectiveness, as well as some sort of call reporting solution (web or mobile).

**First-generation systems (Phase I)**

Some Indian pharma companies are still using antiquated methods of call reporting, which were the norm perhaps 7–12 years back. These methods are typically employed for mass-market teams selling low-margin products. These companies have invested in web-based solutions to merely ensure that their reps’ sales activities in a day or month are well captured, with reach and frequency being the key KPIs.

**Current state of sales force automation**

(based on % of respondents)

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<thead>
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<th>CRM Type</th>
<th>% of Respondents</th>
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<tr>
<td>Analytical CRM</td>
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**Second-generation systems (Phase II)**

However, in the past 4–5 years, pharma companies have increasingly realized the need to be more rep-centric and to go mobile. We are witnessing one of the biggest shifts in this industry’s method of selling – tablets are gradually becoming mainstream, more so for branded specialty products.

Tablets allow sales reps to function in an increasingly efficient manner, with multiple use-cases:

- **Call activity reporting:** There are several mobile apps by pharma companies for call data reporting, most of which are integrated with operational CRM systems. These systems can save physician interactions, which can later be retrieved by anyone throughout the organization.

- **On-the-go learning and skill enhancement:** As rightly pointed out by a senior pharma marketing leader, sales reps typically spend 30%–40% of their time in waiting rooms and on busy roads. Effectively utilizing their waiting time and transforming their learning process are therefore key priorities for pharma companies. Therefore, these companies have started experimenting with providing on-the-go training materials digitally.

A leading pharma company uses an innovative learning app that provides its sales force with “anytime, anywhere and on any-device” learning. The app offers micro-learning content, i.e., short videos, infographics and PDF articles, along with game mechanics, to make the content and assessment process engaging. As a result, reps have been able to increase their average sales proficiency scores and adherence to coaching by managers. Some companies also use third-party apps to facilitate exchange of best practices/competitor information and intriguing quizzes.

**Third-generation systems (Phase III)**

Despite CRM systems of different maturity being available for all products, their use is often limited to the initial lead-to-closure process. More operational CRM systems have helped companies collate sales activity data. Now is the time to close the loop, use more analytical CRM systems and personalize engagements. In the next 2–3 years, these companies plan to use customer feedback consistently to personalize content and channel mix based on customers’ needs and preferences.
Stakeholder engagement

Trying to be customer-centric, but with lack of strategic context

As has been rightly pointed out by Head of multi-channel marketing (MCM), top 20 pharma company in India, “It is critical to understand the pulse of the doctor and build something around it, rather than just building apps and portals.”

The way forward

Minimize invasive sales “push” tactics
Build clear value proposition by meticulously mapping the entire physician journey
Deliver personal, dynamic, real-time content and enable two-way communication for time-strapped physicians
In their bid to become customer-centric, several pharma companies in India have jumped on the mobile app bandwagon, resulting in an abundance of apps for a disease area, each catering to a niche objective. Unsurprisingly, these apps remain largely underleveraged, with an abysmal number of downloads due to non-dynamic content. In our discussion, several pharma executives even cited their preference for continuing medical education (CME) over mobile apps.

Overall, pharma companies today do not have a unified customer engagement approach or a strategy in place for emerging customer groups such as corporate hospital chains. They rely on commoditized modalities such as emails and disease-information portals – either mobile apps or websites.

Even the use cases are at a primitive stage, largely focusing on educating the physicians. Some companies are gradually realizing the need for tools that aid in clinical decisions. However, real-time disease monitoring and intervention are yet to become a reality.

For educational purposes, a few companies have tried to innovate in order to build value proposition: For example, a pharma company undertook a comprehensive physician education initiative that involved interactive case-solving scenarios and a comprehensive medical information portal for doctors across specialties. It is considered a benchmark in the industry. However, there is still room for providing doctors with extremely crisp and personalized information. Another innovative approach followed by pharma companies is using virtual reality to provide experiential learning to physicians both in one-to-one meetings and at medical conferences.

To create competitive differentiation and cater to the evolving customer needs, some pharma players have ventured into clinical decision support and peer guidance in chronic therapy areas:

- A mobile app for Indian hepatologists, for instance, provides them with clinical calculators to understand the patients’ general condition, liver disease severity and renal function. The app further empowers physicians with therapy options based on the genotype and liver status, real-time guidance on drug-drug interactions and interactive product monographs.

- A leading pharma company has targeted physicians’ need for peer guidance by developing a mobile app that helps them get real-time guidance from fellow doctors. The company has also gone a step further in engaging with doctors practicing in specialty therapy areas, by helping them increase their digital footprint.

Another largely unexplored vista of pharma-physician engagement is that of remote monitoring solutions for complete disease management. Staying within regulations, pharma companies are empowering doctors with real-time patient data, which not only allows timely interventions, but also helps reduce the cost burden by improving patient outcomes:

- A leading pharma major has developed a mobile app for complete monitoring of all attacks, symptoms and medications of asthma patients to deal with non-adherence by them.

- Another player has launched a flash glucose monitoring system that enables real-time sharing of data on blood glucose levels with doctors for accurate and intensive monitoring.

The time is now ripe to rise above the noise and build solutions that stand out.
Stakeholder engagement

Patient-centricity far from reality, though need is felt

Patient centricity involves letting go of the power and empowering patients, but pharma is not ready to do that.

Digital Head, top 20 pharma company in India

The way forward

Redefine your customer base, including patients as an integral part of your customer engagement strategy

Overcome inertia and work within regulations rather than being stifled by them

Play an active role in creating an integrated healthcare ecosystem, providing end-to-end disease management
Patient-centricity in the industry is not very well defined, with significant variations in how pharma companies perceive it. Only a third of the pharma leaders have realized the need to become patient-centric, of which only a few have earnestly started working in this direction. The inertia is largely driven by the industry's mind-set, regulations limiting pharma marketing practices and a lack of widespread adeptness in smartphone use.

Currently, the industry's patient engagement efforts are primarily focused on self-management by educating patients about diseases. A few players use primitive methods such as third-party managed call centers for sending medication reminders, resolving issues and connecting patients with customer care for refills etc. This helps create a personal connection with the patients while working within the realms of regulatory boundaries. Several players are also developing mobile apps to achieve this objective.

Some companies have taken patient engagement to the next level by attempting to become “virtual caregivers,” supporting patients in a more comprehensive fashion. For instance, a mobile app for vertigo patients acts as an interactive personal trainer by using augmented reality to guide patients through vestibular rehabilitation for dizziness. However, the success of these initiatives remains limited because of lack of awareness among patients. Therefore, it is important to create a holistic and seamless experience for patients by reaching them through multiple channels.

- One such successful initiative aims to combine digital and direct marketing platforms. The program has a dedicated YouTube channel with videos on nutrition, lifestyle advice and patient stories. There is a Facebook page as well, besides education and awareness interactive kiosks at doctor's clinics and WhatsApp-based patient and caregiver compliance and counselling services.

- A campaign for migraine patients utilizes digital and social media, besides offline support from the field force, to create awareness. Within 9 months of its initiation, the campaign achieved a reach of over 47 million with print PR, nearly 200,000 website visitors and over 14 million through social media.

Thus, to achieve success, patient engagement initiatives need to be as targeted, personal, purposeful and timely as possible. Pharma companies typically have a wealth of information on drug/brand and disease, which can be of immense help if packaged in the right way for patients. Closely understanding the patient journey and their preferences could help pharma companies bring these all-encompassing solutions to light.

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<tr>
<th>Strategic focus for patient engagement</th>
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<tbody>
<tr>
<td>Education</td>
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<td>87%</td>
<td>33%</td>
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EY analysis
Building the customer engagement innovation framework
Six commercial trends
that will reshape the future of pharmaceutical sales and marketing in India

Commercial engagement innovation framework

**Commercial objectives**

- **Leading stakeholder insight**
- **Enhancing stakeholder experience**
- **Reinforcing purchasing decisions**
- **Creating additional revenue streams**

**The digital value proposition**

- Improved customer experience and engagement
- Greater connectivity
- Capturing, analyzing and using “big data”
- Increased flexibility and agility

**Analytics as a core enabler**

- Closed loop marketing (Analytical CRM + CLM + Multi-channel)
- Next-generation automation solutions (robotic process automation/chatbot)

**Connected health platforms**
(Wearables/sensors + Analytics + Mobile app)

**Social media reinforcement**

**Integrated multi-channel marketing**

**Business model innovation (beyond the pill):**
Preventive care management
360-degree solution providers

**EY analysis**

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<th>Near-term trend</th>
<th>Long-term trend</th>
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Six commercial trends that will reshape the future of pharmaceutical sales and marketing in India.

Commercial engagement innovation framework

**Commercial objectives**

- **Leading stakeholder insight**
- **Enhancing stakeholder experience**
- **Reinforcing purchasing decisions**
- **Creating additional revenue streams**

**The digital value proposition**

- Improved customer experience and engagement
- Greater connectivity
- Capturing, analyzing and using “big data”
- Increased flexibility and agility

**Analytics as a core enabler**

- Closed loop marketing (Analytical CRM + CLM + Multi-channel)
- Next-generation automation solutions (robotic process automation/chatbot)

**Connected health platforms**
(Wearables/sensors + Analytics + Mobile app)

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**Business model innovation (beyond the pill):**
Preventive care management
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**EY analysis**

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Near-term trends

Imbibing learnings from the world

A leading pharma company was unable to accelerate the market adoption of a newly launched product because of non-targeted sales and marketing. We empowered the sales reps with a “mobile dynamic reporting solution” and created an “advanced customer segmentation design.” As a result, it was able to generate intuitive reports, deliver dynamic, advanced customer insights, and hence re-prioritize customer targets. Overall, the company was able to create US$48.7 million in growth opportunities, with a potential of more than 4-point growth in annual market share.

Implications for an Indian pharma company speculating move to CLM

Consider an Indian drug company that wants to advance its digital journey to CLM from operational CRM. As a first step, the company should start changing/upgrading its legacy infrastructure and start building dynamic reporting solutions. It will then have to either start building in-house capability or collaborate with partners to embrace holistic CLM systems. This will improve its sales effectiveness by enabling actionable insights through inflow of real-time information on prescription behavior, customer preferences and needs etc.

With a clear picture of customers and the expected future customer value, the company will be in a position to personalize the content and enhance overall customer experience. It can also improve its revenue streams by identifying several up-selling and cross-selling opportunities.

Reinventing pharma sales and marketing through digital in India

Imbibing learnings from the world

A leading pharma company was struggling with the launch of a multi-channel customer engagement strategy, aimed at maximizing revenues. To help the company smoothly transition to MCM, we first sought out to understand the market dynamics and internal needs/capabilities. This helped us develop a vision for IT and the business operating model. We also established a clear governance structure and defined the channels to target—traditional channels vs. new channels. The result was a robust operating model and deployment roadmap to support the successful rollout of MCM with consistent messaging across channels.

Implications for an Indian pharma company evaluating launch of an integrated MCM strategy

Take for example an Indian pharma company that has a robust analytical CRM, which it wants to utilize to its fullest potential. It plans to make a move from traditional sales (in-clinic engagement) to a multi-channel engagement strategy. To achieve this, the company will need to first understand the channel preferences of customers and then decide where to play. The next step will be to analyze each channel's effectiveness at driving desirable customer behavior, by quantifying the level of engagement and customer sentiment. MCM will allow company to surpass the confines of a single channel and achieve 24X7 access to customers. It can also bring in significant cost savings by allowing the use of the most efficient method of reaching out to customers.

Integrated and strategic multi-channel marketing

Social media reinforcement

Imbibing learnings from the world

A novel biotech company wanted to understand what customers really thought about one of its recently launched products, which had no competition in the indication. Traditional analysis had focused on share of voice, which was too limited for generating actionable insights. We provided analytical services to “listen to” and analyze social media channels to better understand the drivers of conversation sentiment. Our key findings alerted the company about the price point of its drug being too high, prompting a change in the patient co-pay programs. Our findings also helped the company shape the direction of its future marketing campaign.

Implications for an Indian pharma company looking for patient sentiment to redefine its brand’s positioning

Consider a leading pharma company in India that wants to redefine its brand positioning. To achieve this, it could create disease-specific interactive patient communities on Facebook. This would enable meaningful discussions among patient groups, helping the company understand the patient sentiment toward the brand and thus strengthen the brand's value proposition.
Near-term trends (cont’d.)

Business model innovation
(beyond the pill)

Imbibing learnings from the world
A top 10 life sciences company was faced with industry pressures (cost containment, fewer blockbuster drugs and regulatory challenges) and was looking to expand its revenue base. We helped the company identify potential value leakages/patient needs throughout care pathways and patient journeys. We also developed intervention opportunities and prioritized associated business models based on company readiness and appetite. This helped the company develop innovative business models “beyond the pill,” exploring new potential revenue streams.

Implications for an Indian pharma company aspiring a move to a “patient-first” strategy
A leading pharma company in India wanted to improve market adoption in a competitive therapeutic indication by promoting a “patient-first” philosophy and improving therapy adherence and persistence. For this, the company launched a comprehensive “beyond the pill” program for diabetes patients. The suite of services included online patient tools to manage diabetes, educational videos, helpline for counselling by qualified staff and monitoring of medication compliance and adverse effects. This helped improve both patient adherence and physician disposition to the company’s brands. Overall, the company’s revenues from the diabetes portfolio also witnessed a significant upside.

Long-term trends

Connected health platforms

Imbibing learnings from the world
A leading pharma company was looking to create differentiation for its third-to-market respiratory drug. We recommended the launch of a unique connectivity platform (smart-inhaler) along with the drug to enable self-management. The platform included the following technologies:
• Connected drug inhaler (allowing compliance and other vital signs to be tracked)
• Algorithms allowing the prediction of exacerbations
• A “lifestyle” platform as an app for patients to learn more about their disease, and engage with physicians, the company and other patients

This platform helped patients and physicians not only keep track of adherence but also overcome the challenges of incorrect dosing and “pseudo-adherence” (when patients think that they are taking the medication but in reality are just activating a nearly empty canister). Importantly, the system enabled real-time monitoring and intervention opportunities for the physicians, thus improving health outcomes.

Implications for an Indian pharma company speculating move to CLM
Take for example the wellness and prevention division of a leading pharma company that plans to release a health-tracking app to build an integrated healthcare ecosystem. The app could incorporate data from third-party trackers and apps, allowing users to visualize their health and fitness data in the form of graphs. It would provide a more complete picture of the patients’ data to care providers, enabling actionable insights that improve health outcomes and facilitate real-time disease management.
Imbibing learnings from the world

A top 10 biopharma company wants to automate and personalize connect with a large group of customers simultaneously. We have recommended the deployment of a customized chatbot (conversational bot) on Facebook Messenger platform to make the customer engagement more personal and responsive. The proposed chatbot will automate multiple activities for physicians, including:

- Informing (sending news feed service and finding related news)
- Acting as virtual assistants (placing sample orders and sending conference reminders)
- Sending push notifications (invitations to congresses and publications review)

This solution will help attract and build a personalized relationship with a larger group of doctors and also free up sales rep time for more value-added tasks.

Implications for an Indian pharma company looking for a solution to manage the mundane tasks of a sales rep

Currently, pharma sales reps in India have to juggle between various apps and CRM system interactions to manage sales activity and expense management data. Imagine a scenario where AI-powered bots anticipate an upcoming meeting with a physician/client and automatically gather background data to prepare the rep for the visit. To do so, the bots would extract the list of products the physician currently uses, past order history, prior visit notes and key contact information from CRM platforms. After the rep’s in-person meeting, the bot would “decide” whether the rep needs to update the opportunity status in the CRM platform and alert the rep for follow-up.

The bot would work simultaneously to eliminate tedious manual tasks and free up the sales person’s time for more value-added activities such as increasing customer face-time or connecting with new prospects.
Embarking on a digital journey to improve effectiveness

The time is ripe for Indian pharma companies to create their own digital story and not fade away as another footnote in the history of disruption. The next 3–4 years will be very crucial for them to get out of their comfort zone and embrace disruption to avoid being disrupted!

"A senior executive with a leading pharma MNC in India and a pioneer in this field very aptly said, “It’s not about digital marketing, it’s about marketing in a digital world.”"

The strategic moves that companies make today will determine their survival in this era of profound digital disruptions. These disruptions have bankrupted/completely wiped out several Fortune 500 companies in the past. However, embracing digital at the right time and in the right place has not only pulled several companies back from the brink of bankruptcy but also put them on a path of accelerated growth by creating additional revenue streams.

For example, lack of a clear digital strategy and increasing competition from video games (with the emergence of smartphones/tablets) had brought a leading toy brick manufacturer on the verge of extinction by 2004 after 12 years of steady decline. Despite changing its core business and investing in several generations of interactive websites, console games and computer media, its losses continued. To avoid bankruptcy, the company returned to its core value proposition and redefined the way it engaged with customers by involving them in the core design process. It created a website, inviting design ideas from communities of fans/designers on the internet and reinvented its product offerings using the most popular ideas. The company provided customers with a hybrid physical-digital experience and is now leveraging next-generation technologies such as virtual reality. Under a new leadership, it also made simultaneous enhancements to its business/operational models and restructured its enterprise IT systems. Since then, the company has been on a continuous growth trajectory and reported record revenues in its 85-year history in 2017. The company is now on a transformation journey to become a “new digital company.”

Thus, building such customer-centric digital commercial models requires profound changes across the external and internal aspects of business. Companies will need to fundamentally redesign their digital agenda and operating models, rethink how they attract and nurture digital talent, and consider afresh how they measure the success of their business.

Sustaining such commercial models focused on solutions and services, rather than just selling the pill, will require pharma companies to adapt and evolve their strategies often. Agility will become a core strength among winning pharma firms.
Our approach to rapid design of digital strategy is agile but disciplined. Our significant experience addresses the business objectives, capabilities and culture to create a future-proof roadmap for success.

Key questions to consider while embarking on a digital journey

What’s your digital agenda?

Which technologies offer the best return on investment?

Is your governance structure ready to take on digital?

Which partners will provide access to the needed capabilities?

How do you “sell” the value of digital to your people?

How can you measure and sustain digitally?

How can you safely engage customers with ever-changing regulations?

1. Understand the digital needs for sales operations and customer engagement
   - Go digital only if it meets the objective
   - Define your digital strategy and develop a roadmap

2. Build a business case by assessing the pertinence and scalability of technological investment
   - Avoid hype cycle; do not get carried away or try to do it all at once

3. Strategically choose partners with shared goals and values
   - Define and continuously measure performance against agreed KPIs

4. Create an organization-wide digital task force
   - Break organizational silos between sales/marketing, IT/digital and brand teams

5. Involve the employees (sales reps and IT) early in the process
   - Make digital part of organizational KRA and reward for exhibited digital behavior

6. Digitize compliance management practices to ensure real-time monitoring
   - Build robust cybersecurity systems for protection of both customer and internal data

7. Focus on enhancing trust, transparency and brand equity
   - Learn from failures early and build on success in subsequent digital cycles

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EY's approach to develop your digital strategy and roadmap

Our tailored, pragmatic approach comes from years of experience in designing and delivering digital strategies globally and in India for life sciences companies.

1. Assess your current state via EY Digital maturity Index for Customer Engagement
   - Current state assessment
   - GAP analysis
   - Digital boundaries and best practices
   - Prioritized recommendation

2. Define the approach to digital customer engagement, for physicians and patients
   - Customer needs and differentiators
   - Assessment of implications and requirements
   - High-level measures and metrics definition

3. Define the approach to field organization development
   - High-level field organization roles and responsibilities
   - Operational analytics to support digital strategy execution

4. Define the approach to a company’s digital engagement
   - Business process assessment – front and back office
   - Barriers and enablers, and legal/regulatory review
   - Financial assessment

5. Develop detailed digital strategy and roadmap
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Reinventing pharma sales and marketing through digital in India
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