Building Healthcare Brands in the post-COVID 19 Era

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Table of Contents

Executive Summary

Brands are built in a way such that it delivers value to customers. The traditional steps for brand building includes Know your brand, market, customer and competition, Arrive at the brand value proposition and brand articulation and arrive at a strategy, media, metrics and evaluation.

COVID pandemic has opened up a new space in the pharmaceutical industry to rethink everything. Even in the changing paradigm, the fundamental way by which the industry has been attempting to build a brand amidst all the challenges will not change much. Digitization of the pharma industry in COVID-19 period is an opportunity to transform. For any transformation to happen it is important to leverage true assets. The two most important assets in the pharmaceutical industry are "Corporate Brand" and the "Deep relationship of field force with HCP's". It is time to provide opportunities to further strengthen those "Deep Relationships" and Digital could be a means. And this could add value to the customers. The age of the Pharma Rep is not over but it is just beginning, therefore let us not be narrow with "Digital Solutions but create Business solutions that bring value for our customers".

A survey was carried out for a sample size of 50 pharma professionals.

The objective of the survey was to find out;

1. To know the most used channels for engaging with doctors by pharmaceutical companies in COVID-19 pandemic.
2. To find out key customers of pharmaceutical companies post-COVID.
3. To understand the focus of companies post-COVID in building brands.

The analysis and findings were as follows :

Majority of people belonged to Indian MNCs and Indian Pharmaceutical companies. From the analysis we came to know that the most focused therapeutic class was Acute i.e. 66% and Chronic i.e. 56%. Majority of pharma professionals said that less than 10% of the company's revenue has been impacted in the past 6 months. Indian companies' revenue was affected by less than 10% whereas Indian MNCs revenue was affected in between 10-20%. Most of the companies use face to face calls by MRs i.e. 52% as a channel for engaging with doctors. 34% professionals responded that their key customers post-COVID will be doctors and patients whereas 32% responded that their key customers will be doctors and pharmacies. 78% of the professionals said that the focus of the company would be on improving the engagement with the doctors. The Brand building methods will change post-COVID. The perceptual behavior of Doctors will change and for that the brand plan needs to accept the change plus add a digital element in brand building,brand building through traditional methods i.e through MR - will not take over the digital one. The use of conservative strategy will be done by the companies as it includes the face to face visit of Medical rep to the Doctors and also connecting to the Doctors through digital platforms. Also CRM data collected by the companies will help the most to create a personalized campaign for their Doctors.

Introduction

Building brands involve creating equity around an entity that delivers value to the customer. Branding in the pharmaceutical industry has meant developing a product and getting a patent for that product to market it exclusively, preparing a launch campaign, and advertising the product to clinicians and patients. Instead of investing huge sums in building a single product brand, companies can build a larger brand with a well thought out cluster of products.

Today, however, pharmaceutical companies need to think differently and embrace branding concepts from other industries - particular, the consumer goods industry - to build, promote, and safeguard their brand. Top pharmaceutical companies are starting to think about what they offer to the market and are working to leverage their corporate brands to expand their businesses, innovate, and find new ways to support patients. These leading companies are embracing different ways to reach their customers and build their brand.

According to McKinsey, companies need to decide which elements of their brand positioning are core and must remain unchanged across markets and which can be adjusted to reflect market dynamics. To understand the market needs, companies need to invest themselves within communities, listening to what customers want and expect and working with trusted partners. Irrespective of the market, integral to a brand’s success is the launch strategy. Some estimates note that a poor launch can lower a product’s value by 20% to 40%.

India is probably the only nation to have a category called branded generics. But some companies are more trusted than others, their brands stand out in chemist shops as well as in prescription sales audits. These companies are outliers that differentiates their brands from the herd. Especially in a market like India, where there are copies of every medicine, competing for the mind space of the prescribing community as well as the wallets of consumers is a big task. But these companies ensured that they continuously built and communicated their brand values to the relevant stakeholders. Whether it defined the values of the company or of individual medicines, care was taken to define the value proposition so that the company/product stood out in the market.

The 10 brand-building steps can be explained into three parts as follows :

1. The first part deals with the first 4 steps (Know your brand, market, customer and competition)
2. The second part deals with steps 5 and 6 (Arrive at the brand value proposition and brand articulation).
3. The third part deals with the last 3 steps (Arrive at a strategy, media, metrics and evaluation).

A founding principle seems to be that pharma brands must create value for the patients and ultimately benefit them. For example, she explains that differentiation just for the sake of it has no meaning if it does not bring unique but relevant benefits to the customers. And proceeds to illustrate this point with how Dynapar, a brand of diclofenac from Troikaa Pharmaceuticals, differentiated itself from other brands of diclofenac, like Voveran of Novartis and Diclomol of Win Medicare, by promising quicker relief. It delivered on this promise because the brand uses decompaction technology, which converts into micro- fine particles within 45 seconds. This technology ensures relief within 20 minutes, unlike other brands that lag in action. This is value-added differentiation.

A paradigm shift in brand building

Pharma companies across the globe have been taking up initiatives in the digital revolution of healthcare even prior to COVID-19. It has picked up momentum during this pandemic. COVID-19 pandemic has accelerated the pharma industry’s adoption of digital technologies. The industry not just in India but globally too is rapidly recognizing the potential of mobile apps and social media platforms to connect with healthcare practitioners.

Patients, doctors, employees and vendors are now increasingly connected on digital platforms. The range of services and transactions are also undergoing a rapid change. These few weeks of the lockdown have shown how life can still continue under remarkably altered circumstances, if change is accepted in optimistically. A remote calling platform to connect with HCPs, webinar platforms, a digital asset management platform with a repository or library, to build digital capabilities in the sales-force through workshops, training and assessments. These channels have helped to stay connected in a seamless manner.

Post COVID-19 pharma sector will emerge more agile, with a renewed focus on flexible ways of working which will be a mix of the traditional face-to-face and via the digital model. The pandemic-induced shift to digital engagement channels is likely to stay even post-COVID. The past few months have seen a marked shift in how health professionals interact with pharma, a shift that looks likely to persist in the post-COVID-19 world. The changes made now will have lasting value-chain behaviours. HCPs, as well as patients, will get used to the convenience that digital channels offer. Pharma companies need the right technology and personalized content to fit these new 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. Digital offerings are the specific solutions that deliver on a company’s digital value proposition.

What business outcome the company is trying to drive? How could the company better serve their customers through faster, more flexible technology? Once the business goals are understood, work towards the technology decisions. Going ahead, to become digital and pursue a digital vision, pharma companies must define their digital offerings. They must embrace information-enriched customer solutions delivered as a seamless, personalized customer experience.

As pharma companies strive to be more ‘patient-centric’ they would do well to emulate sectors like FMCG which have always been customer-centric. While the doctor remains central to healthcare business, the rapid changes in the world makes it imperative for pharma companies to become patient-centric. Patients are becoming more and more informed, thanks to the ubiquitous nature of the digital world, and neither doctors nor pharma can afford to ignore the information-powered patients.

Patient-centricity is to move beyond conventional marketing approaches of monitoring market shares, which are often more than a month old. Patient-centricity involves moving into therapy-shaping and disease management, wherein the patient, physician, payors and pharma collaborate and cooperate in enabling patients to live healthier and happier lives.

Digital Connection

The pharmaceutical industry is currently navigating through a challenging yet fascinating period. COVID-19 has swiftly changed the healthcare landscape around the world, influencing abrupt changes across the various functional domains within the industry.

2020, which could very well be the year of the coronavirus, has been witnessing drastic disruptions with enforced lockdowns, social distancing, new patient demands and healthcare systems put under extraordinary pressures. The pandemic has worsened the pharma market in India and is expected to lead the country towards a major slowdown.

Challenges that have arised

- Doctors not ready to meet MRs
- No physical events possible
- Virtual events doesn't give FaceTime with doctors

In this situation the only way to reach a doctor is digitally, the calls appointments etc everything has to be done virtually. Pharmaceutical companies' field force, medical science liaisons and patient service teams view the digital medium as promising avenues for information sharing. The current scenario could perhaps be viewed as the 'digital reboot'.

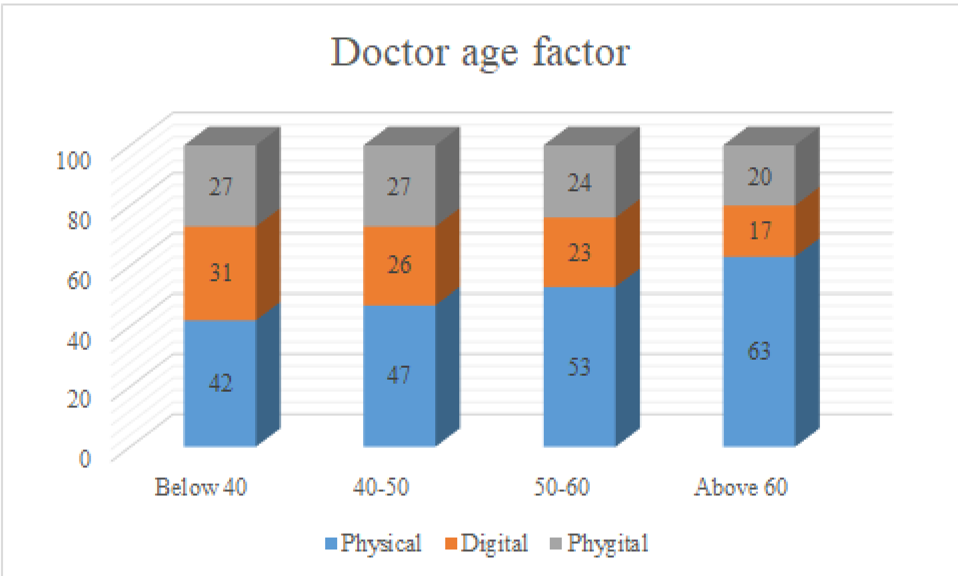
Intent, Strategy, Content and Skills needed to bring about digital transformation in the pharmaceutical industry is important. Indian Pharma leaders should go beyond merely flirting with digital, not knowing where to begin and where to end, and getting lost in between. Instead, digital adoption should begin with contextualising it to Indian Pharma's unique needs. Cipla has been one of the forerunners among Indian drug companies raising the bar with digital therapeutics push. They are in the process of moving from being pill makers to care givers and therapeutic service providers, encompassing disease awareness, disease management and patient care, with pills being just one part of its healthcare service. Sanofi has a digital therapeutics division that covers; Prescription Digital Therapeutics, Patient monitoring and engagement, Disease and medication management, Telemedicine.

A recent E & Y report on digital adoption by Indian pharma has made some pertinent observations:

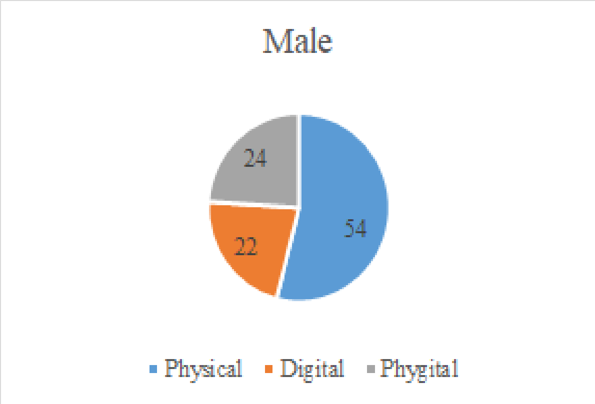
Indian pharma's journey to the digital world has just begun. On E Y's five-step digital maturity framework, Indian pharma companies are still falling short of their global counterparts. Of the surveyed Indian companies, 53% are still at the beginners stage, while 40% are at the conservatives stage and only few (7%) have moved toward the explorers stage. Digital intent is strong, but execution is not. As per their 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.

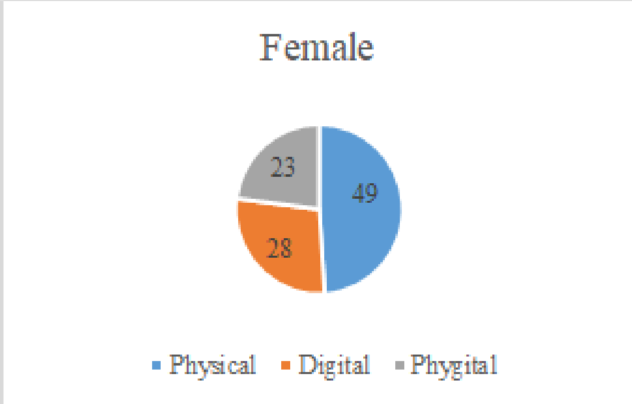
COVID Survey conducted by SMSRC amongst 2000+ doctors, across 80+ cities & 20+ specialities was carried out to understand behavioral trends amongst the Indian Doctor community.

Survey analysis is as follows:

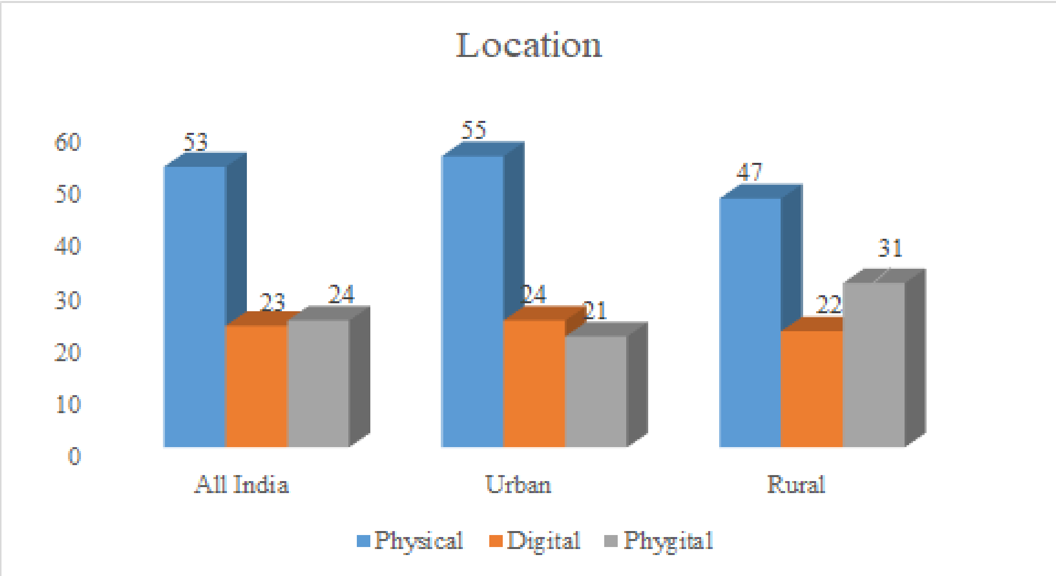


- Prescriber age increases, preference for meeting medical representatives physically increases & digitally decreases.

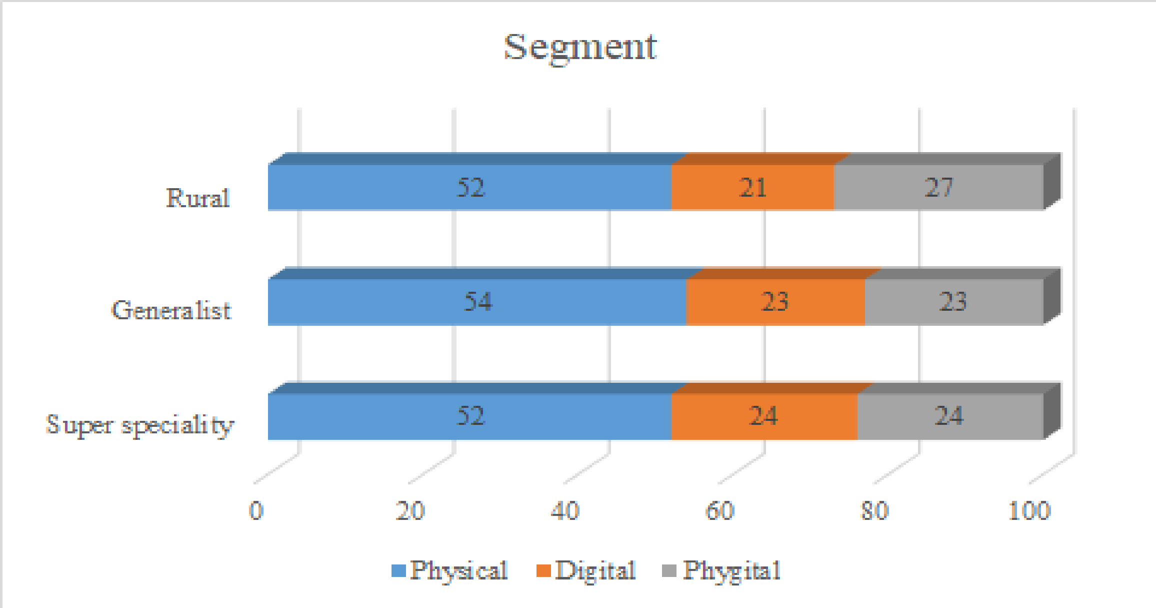




- Female doctors have a higher inclination towards meeting MRs via digital means, as compared to male Doctors.



- Majority of Doctors in India (-50%) prefer to meet MRs physically, with this aspect more pronounced in Urban India (55%) as compared to Rural India (47%).
- Rural Doctors have a higher inclination towards a mix of digital & physical than urban India.



- Across all Doctors segment the proportion the Three modes to meet MRs is broadly similar.

Transformation in Brand Building

The Brand building strategies used post-COVID will be amalgamation of Traditional as well as the ones used more during COVID-19 period.

Positioning of the brand, marketing teams need to consider where the product sits in its therapeutic category, the various needs of the patients who will use it and the physicians who will prescribe it, which segment is most likely to benefit from and respond to the product and determine how the brand will benefit those individuals, and assess customer response to the brand and, if necessary, refine the brand message.

The brand personality is an important element in positioning a product and differentiating it and can help to build loyalty and trust. Brand values need to go beyond the traditional message of functional attributes messages that are important to a physician audience but don't necessarily differentiate a product in a therapeutic class and include the value they bring to support the needs of the patient. The message might be how quickly a product works to improve the patients' day-to-day life or convenience in how a drug is administered. Those brand values are key to building brand loyalty.

The Four Cs of Building Brands

- Customer Focus: Find common ground with customers, connect with the right partners, and invest to ensure the desired impact.
- Community: Be where your customers are, using their preferred platforms, and give control to trusted local partners.
- Category Enhancement Through Education: This might be achieved through charitable foundations that can act to serve the community.
- Commit for the Long-Term: Initiate multi-year programs that add value beyond the product and show commitment to the community and patients.

Digital Marketing

This model has digital marketing taking centre stage and a substantial shift in budgets away from traditional channels and content. Reps become a support and a conduit for digital content, supported by a backroom team of content managers. The style and timing of interactions would be driven as much by the HCP as by the company, allowing increased personalisation. This would be linked to a major role for tele-health, although much work is still needed in this space to consolidate platforms and deliver an effective hub for connected devices and physician-patient interactions.

Digitally enabled health allows pharma to start to really connect the dots in partnership with the tech sector. Electronic Health Records, almost census level apps, telehealth from a consolidated number of platforms that connect to wearables brings everything from adherence to targeting to the table in a way never previously considered.

Conservative strategy

Conservative strategy incorporates an increased use of digital channels for certain tasks, such as education, urgent queries or requests. But face-to-face interaction with Medical Reps and Doctors should be continued. Re-training for sales reps will still be needed, so they can tap into multiple channels to meet the needs of their customers.

Holistic Telemedicine Platform

An end-to-end telemedicine platform for doctors is where patients can search for them, book an appointment and schedule an e-meeting or consultation with them. Technologies that come integrated with telemedicine software like electronic medical records, AI diagnosis and medical streaming devices, can better assist providers in diagnosis and treatment. HCPs can also benefit from increased revenue through more patients, minimized health-related risks and convenient practice.

Content Marketing Portal

Content marketing is a natural fit for doctors because of their technical expertise and medical knowledge. Creating a portal, exclusively for doctors, with information about relevant medical news, clinical reference, education, the current market scenario, etc. would help create a community of engaged doctors. By sharing therapy-specific content, doctors would be able to share this information with peers or customers.

Hybrid Sales Model

With the increased utilization of technology, medical reps can take on a more evolved role. Instead of being the single face of the company, reps can be just one of the many ways a pharma company communicates with a doctor. For the representatives of the future, this mix of new and enhanced capabilities will mean that the sales role becomes more valued.

Hyper-personalized Omnichannel Mix

HCPs are already subjected to a lot of medical information, sometimes irrelevant ones, throughout the day. So pharma companies need to differentiate themselves by delivering personalized, evolving experiences consistent across channels. Omnichannel medical marketing for HCPs delivering the messages in the format they need, in the way that's most convenient to them. By leveraging CRM data on HCPs, personalized videos can be created, thus increasing their engagement and the possibility of conversion.

Risk Associated with strategies

Inefficiency and misspending on media as companies adapt to a digital communication landscape, with pharma simply switching budget to digital rather than making it synergistic with other channels and content. Doctors become overwhelmed with digital choices.Important messages are lost and relationships weakened in the digital clutter.

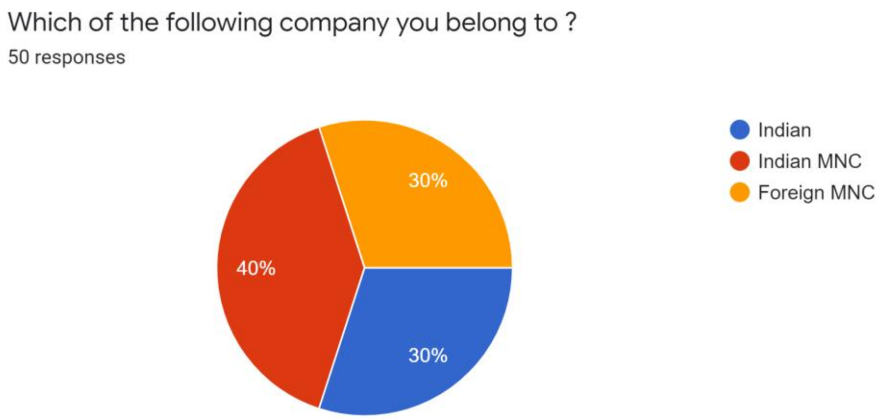
Lack of face-to-face interaction may weaken the understanding of healthcare professionals' needs. Over time, loyalty dissipates and, with it, prescribing. Confusion and inefficiency if platforms are not linked seamlessly.

Experimentation with digital channels during COVID-19 was actually just a phase and physicians do not embrace the 'new normal' as expected. Demand for clinic-based, face-to-face patient care rises as does face-to-face interaction with pharma.

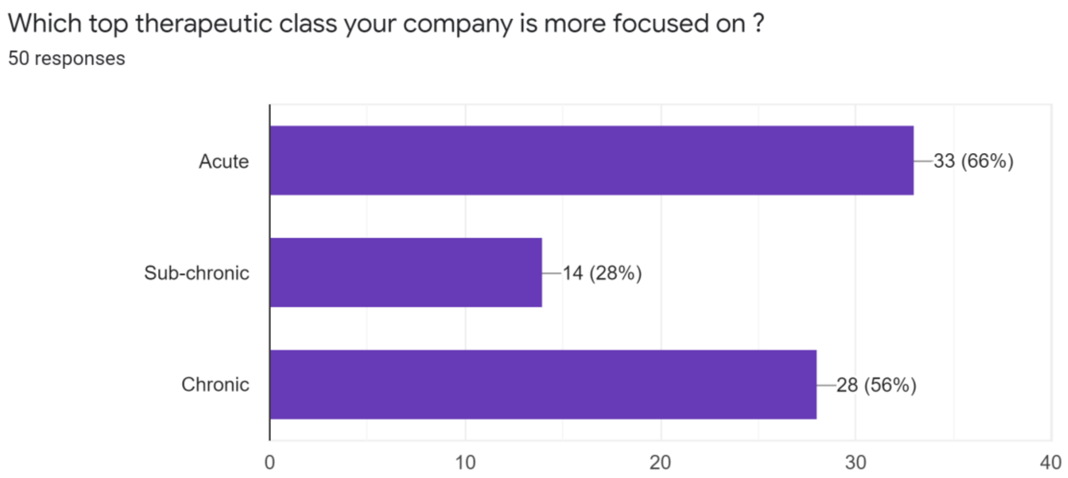
Analysis and Findings

1. Survey was conducted for a total of 50 pharma professionals from various companies. Pharma professionals were from different hierarchy level of different companies.
2. Questionnaire was formulated and the survey was collected through forms and phone calls.
3. Analysis was done using excel.

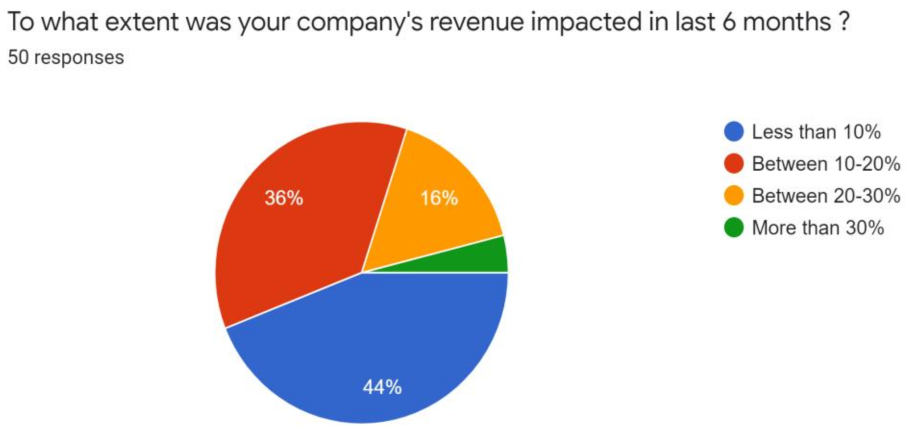
Analysis and findings are as follows:



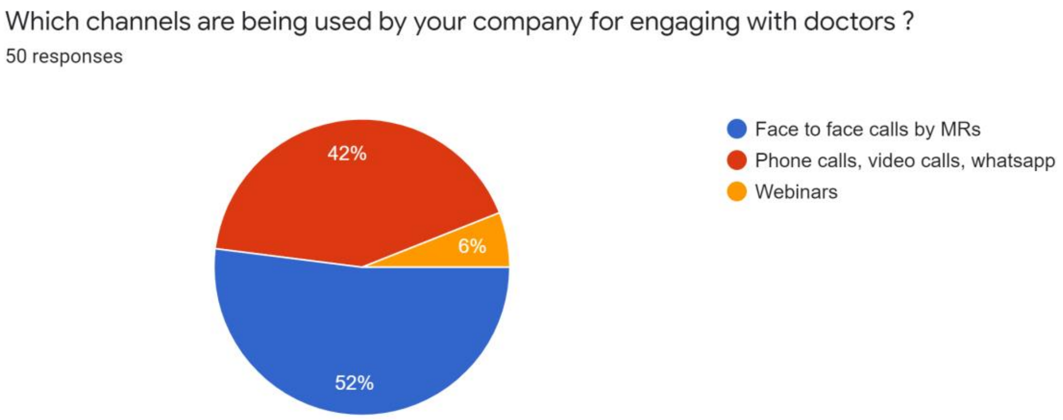
Comment: Majority of people belongs to Indian MNC & Indian Company



Comment: From the analysis we comes to know that most focused therapeutic class is Acute i.e. 66% and Chronic i.e. 56%

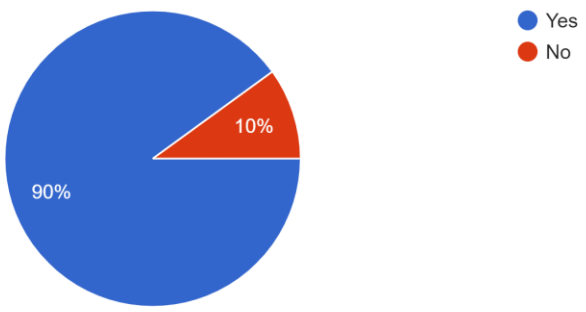


Comment: In past 6 months less than 10% of the company's revenue is been impacted.



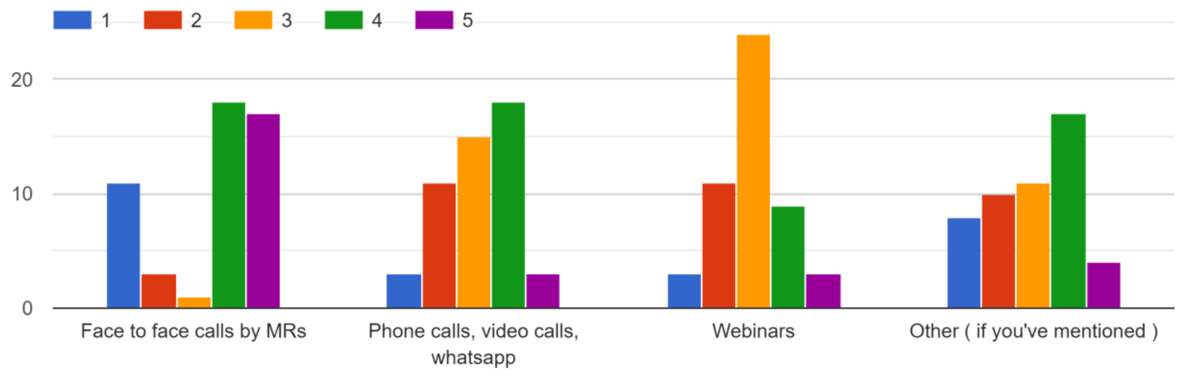
Comment: Most of the companies use Face to face calls by MRs i.e. 52% as a channel for engaging with doctors.

Will you continue to engage doctors through the above mentioned channels post COVID ?
50 responses



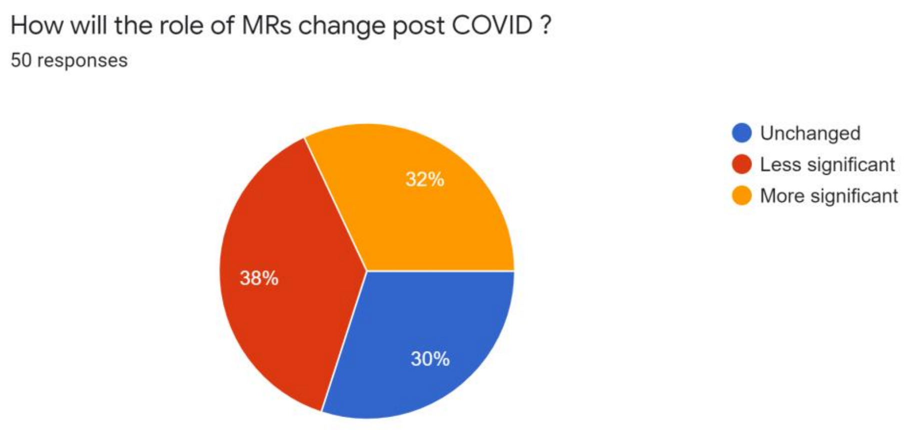
Comment: 90% of the pharma professionals say they will continue to engage doctors through face to face calls.

How effective are the following channels on a scale of 1-5 (1- being least effective, 5- being most effective)



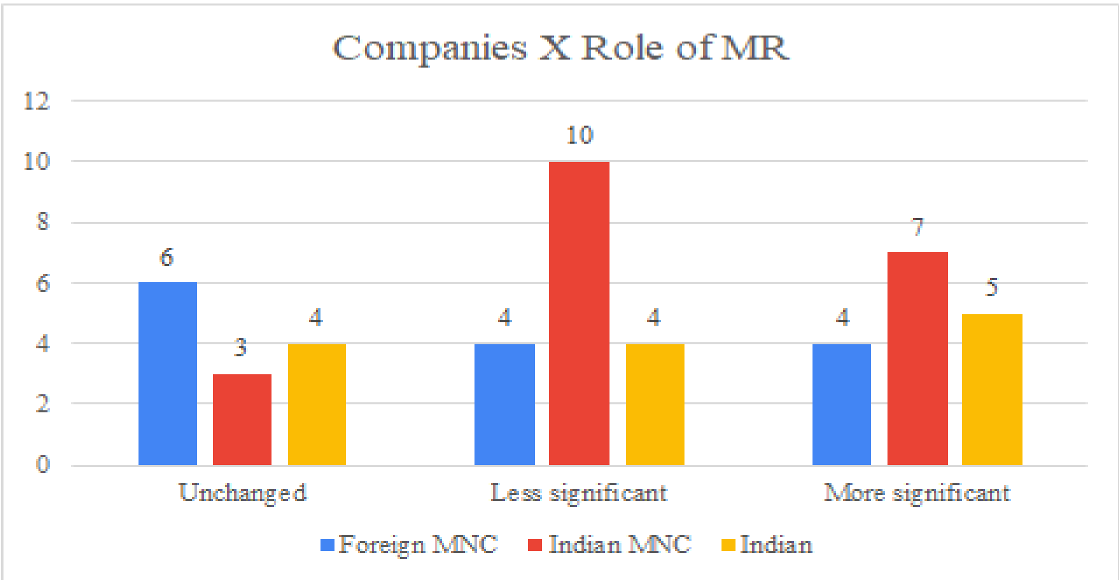
Comments:-

Face to Face calls by MR and phone calls and messages through whatsapp will be the most effective channel.



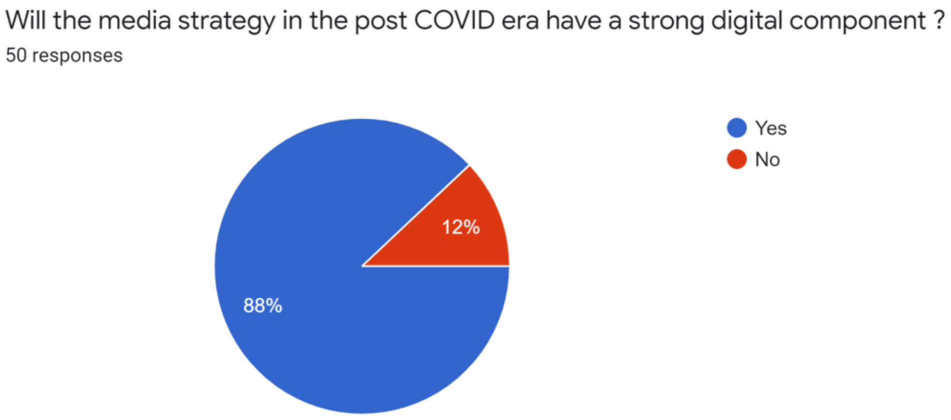
Comments:-

38% of the professionals responded that the role of MR would be less significant.

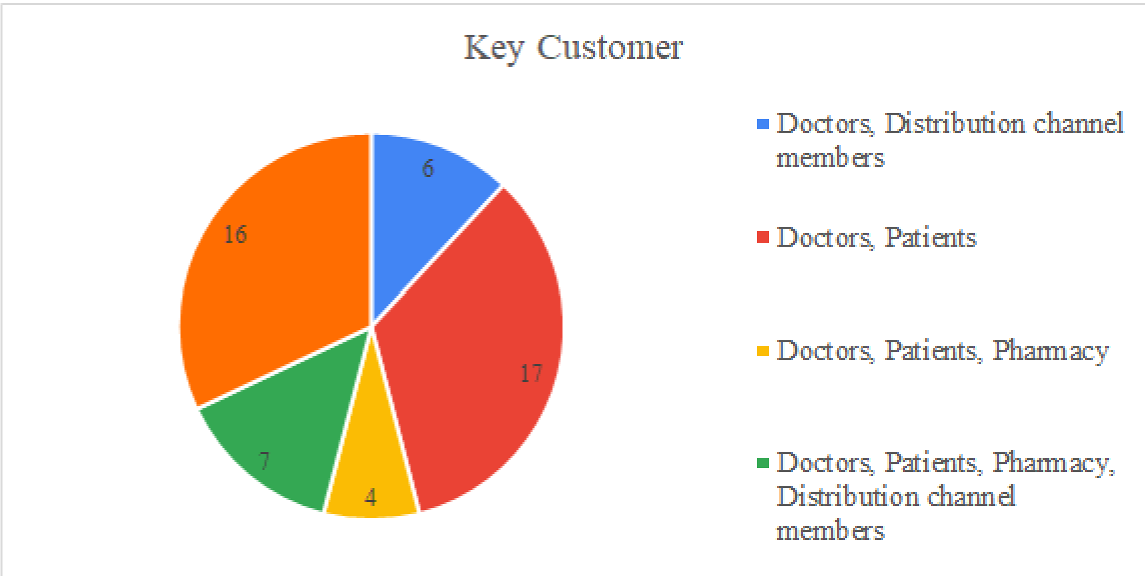


Comments:-

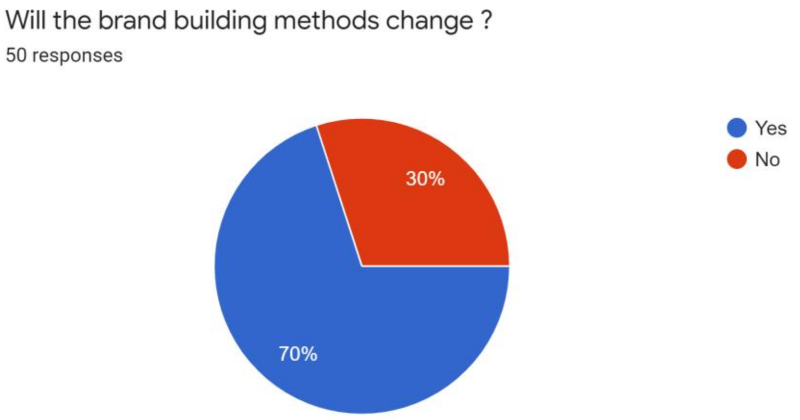
The role of MR in the Indian MNC will be less significant whereas Foreign MNC are having a mixed result.



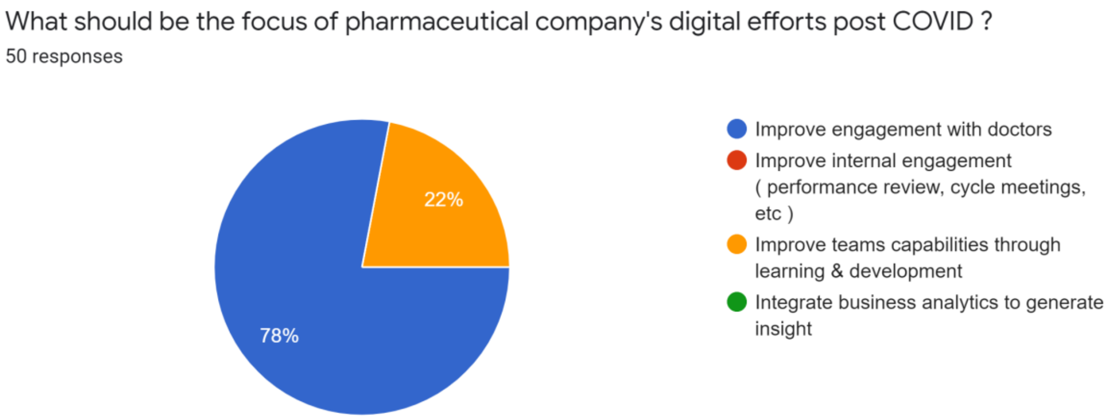
Comments:-88% responded yes, there will be a strong digital component in the brand building strategy.



Comments:-34% professionals responded that their key customers post covid will be doctors and patient.and 32% responded Doctors and pharmacies.

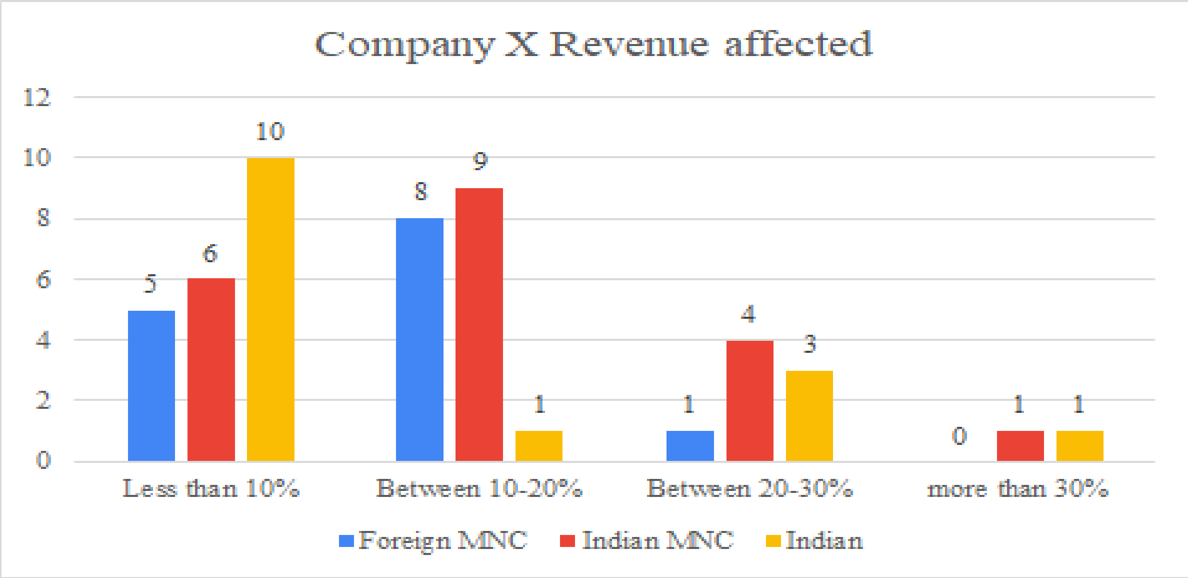


Comments:- 70% of the professionals responded yes, the brand building methods will change and adding more digital and patient centric approach will be needed.Telemedicine will also be an essential tool.



Comments:-

78% of the professionals said that the focus of the company would be on improving the engagement with the Doctors.



Comments:-

Indian companies' revenue is affected by less than 10%. whereas Indian MNCs revenue is affected in between 10-20%.

Conclusion

- The Brand building methods will change post-COVID
- The perceptual behavior of Doctors will change and for that the brand plan needs to accept the change plus add a digital element in brand building,though brand building through traditional methods i.e through MR - will not take over the digital one.
- The use of conservative strategy will be done by the companies as it includes the face to face visit of Medical rep to the Doctors and also connecting to the Doctors through digital platforms.
- CRM data collected by the companies will help the most to create a personalized campaign for their Doctors.
- From the analysis we come to know that the most focused therapeutic class is Acute i.e. 66% and Chronic i.e. 56%.
- In the past 6 months less than 10% of the company's revenue has been impacted.
- Face to face calls by MRs i.e. 52% will remain as an essential channel for engaging with doctors.
- Indian companies' revenue is affected by less than 10%. Whereas Indian MNCs revenue is affected in between 10-20%.
- The key customers post covid will be doctors, patients and pharmacy stores.
- 78% of the professionals said that the focus of the company would be on improving the engagement with the Doctors.
- 70% of MRs' roles are going to change in the upcoming year.

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Annexure

1. Which of the following companies do you belong to?

   a. Indian
   b. Indian MNC
   c. Foreign MNC

2. Which top therapeutic class your company is more focused on?

   a. Acute
   b. Sub-chronic
   c. Chronic

3. To what extent was your company's revenue impacted in last 6 months

   a. Less than 10%
   b. Between 10-20%
   c. Between 20-30%
   d. More than 30%

4. To what extent are sales calls impacted in last 6 months

   a. No impact
   b. Less than 20%
   c. Between 20-40%
   d. More than 40%

5. Which channels are being used by your company for engaging with doctors?

   a. Face to face calls by MRs
   b. Phone calls, video calls, whatsapp
   c. Webinars
   d. Others:-

6. Will you continue to engage doctors through the above mentioned channels post COVID?

a. Yes
b. No

7. How effective are the following channels on a scale of 1-5 (1- being least effective, 5- being most effective)

a. Face to face calls by MRs
b. Phone calls, video calls, whatsapp
c. Webinars
d. Others (if you have mentioned)

8. How will the role of MRs change post COVID?

a. Unchanged
b. Less significant
c. More significant

9. Will the media strategy in the post COVID era have a strong digital component?

a. Yes
b. No

10. Who will be your key customer post COVID?

a. Doctors
b. Patients
c. Pharmacy
d. Distribution channel members

11. Will the brand building methods change? Give Reason for Yes or No.

a. Yes
b. No

12. What are your views on telemedicine?

13. What should be the focus of a pharmaceutical company's digital efforts post COVID?

a. Improve engagement with doctors
b. Improve internal engagement (performance review, cycle meetings, etc)
c. Improve teams capabilities through learning & development
d. Integrate business analytics to generate insight
e. Other:-