

Apple to Quickly Become Major Player in Pharma Sales & Marketing
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Pharmaceutical manufacturers face increasing pressure to refine their strategic and operational approach to sales and marketing. This need is motivated by a quickly changing industry landscape driven by healthcare reform (HCR) and an expanding web of strict government regulations. This includes gift ban laws, aggregate spend compliance/sunshine laws on both the state and the federal level, and diminishing physician availability because of HCR (i.e., 32 million new "covered" patients set to phase into the healthcare system).

In the primary care setting, physicians typically give a pharma sales rep less than 30 seconds per interaction, most of which is time spent signing for samples. In specialty therapeutic areas, sales reps receive much longer periods of time but still struggle with their ability to differentiate themselves through clear, concise, and interactive messaging delivered to each physician. With all of this further complicated by gift ban laws and aggregate spend, which may eliminate a significant portion of lunch/dinner meetings and make all related spend information publicly visible, pharmas' challenge to increase sales force effectiveness is becoming ever more real by the day.

What's Changing?

Generally speaking, companies typically identify a problem or a business process that needs enhancement and then perform due diligence and an in-depth technology assessment to choose IT to apply to that situation. Historically, this is what best practice would dictate. Well, say "hello" to the iPad, which is quickly turning this traditional wisdom on its head. While tablet PCs have been used in the field within pharma sales for quite some time to enable electronic signature capture and more interactive display of edetailing information, the explosion of next-generation tablet devices like the iPad has rocked the boat in this space.

The pharmaceutical sales community is now undergoing an enormous shift, with widespread interest in transitioning toward HTML5-based tablet devices like the iPad, as the industry seeks a quicker, lighter, and more attractive way of displaying drug-related information. Two things in particular make this trend interesting: the purchasing behavior of companies regarding these devices and the monopolistic iPad mindset prevailing in this space.

Purchasing Behavior

Despite conventional wisdom, several major pharmaceutical companies are putting the cart before the horse by purchasing iPads in large quantities prior to even owning a single application to run on the iPad. It is true that many existing Web-based SFA products delivered via a hosted or a SaaS model will run equally well in an iPad Web browser, but there is little incremental value over a traditional tablet PC with this scenario since no HTML5 capabilities are being utilized. Most SFA vendors servicing the pharmaceutical industry do have plans under way to launch an HTML5 version of their software, and a few already have, but these solutions are brand new and still immature.

During recent conversations with large pharmas, I have heard leadership at several companies make comments similar in nature to "we have not yet purchased an iPad-based SFA software product, but we know we will eventually, so we're buying the devices now." More than one company has told us they have already purchased iPads in significant volume and are storing them for later use. Although it is true that many companies are indeed planning to make the shift toward these devices, the unwavering excitement and investment certainty displayed by the industry for a technology that still has no proven ROI in the pharma setting over existing tablet PC-based approaches are certainly interesting.

An iPad State of Mind

I'm sure Billy Joel never expected his song to be used as a vehicle for explaining people's love for the iPad, and while the general population probably still has greater affinity for New York than their iPad, that may not remain the case too much longer.

Beyond pharmas' overwhelming interest in embracing HTML5-based tablets, what makes the phenomenon even more interesting is that most pharmas with plans to adopt these devices are planning to purchase the iPad, with little current interest in seriously evaluating competing devices from other vendors. Based on interviews recently conducted with more than 20 pharmaceutical companies regarding CRM and SFA planned investment, all stated they believe Apple will remain the lead innovator in the space and that deploying SFA on the iPad (rather than a competing tablet device) is safer long term because it will help ensure they keep up with the latest technology developments and innovations. Only 3 of 20 companies mentioned they planned to spend any significant time reviewing competing solutions.

Conclusion

Looking ahead, the verdict is that pharma is moving toward wide-scale deployment of HTML5-based tablet devices. Historically, Apple has had little presence in pharma, with the exception of iPhones in the ePRO space, but even that is a fairly recent development. With the skyrocketing adoption of iPads in pharma sales and marketing, Apple is now perfectly positioned to not only break into the sales and marketing side of the pharmaceutical industry but is likely to quickly become a dominant hardware vendor in the space.

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