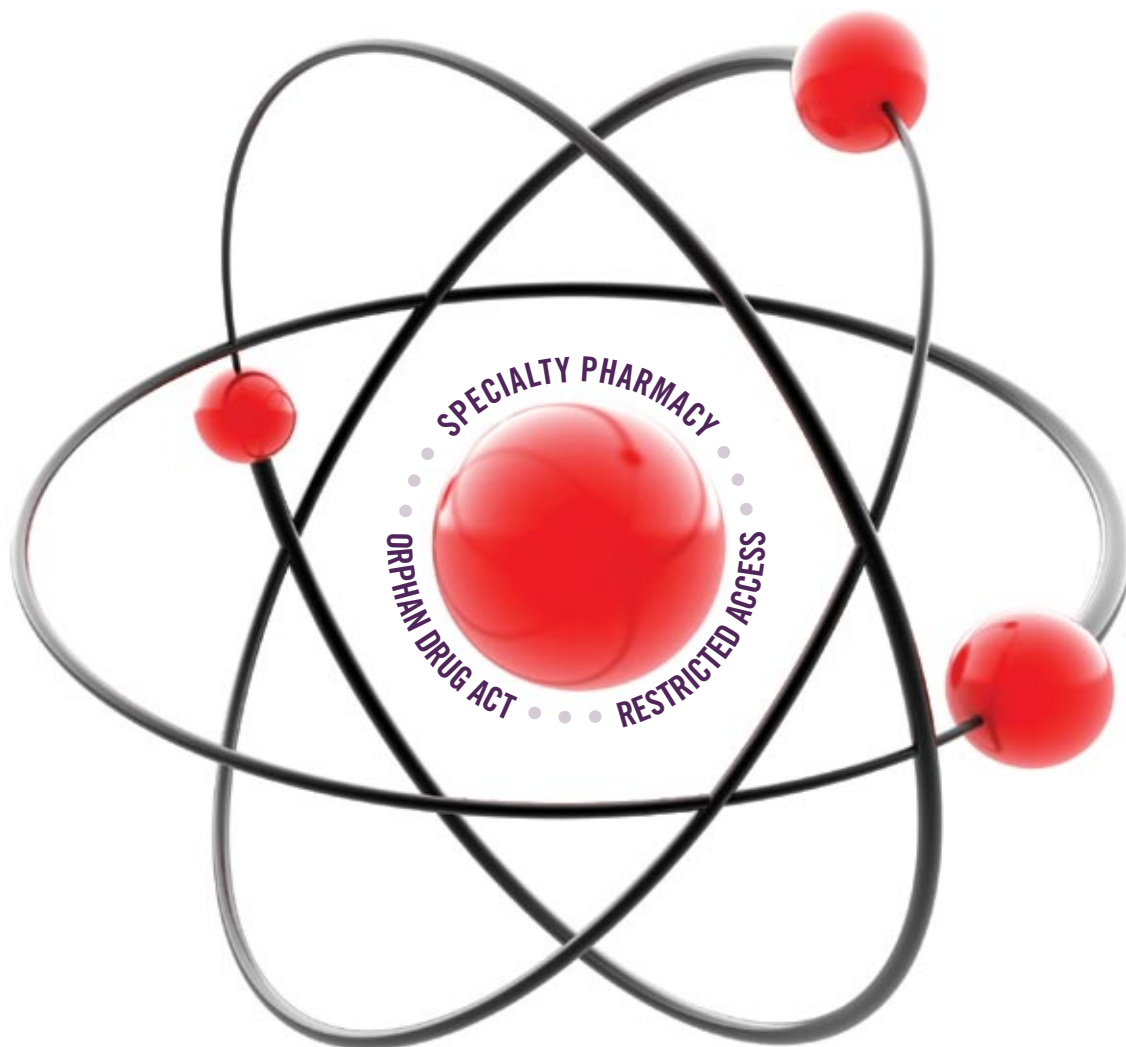




MARCH 2008

ONCOLOGY BUSINESS REVIEW

news. perspective. catalyst.



IN THIS ISSUE:

WHAT HAPPENS IF THE DOOR CLOSES TO INDUSTRY?
GENENTECH: THE ANSWER IS RESEARCH
BEHIND CLOSED NETWORK DOORS; ESAs & TRANSFUSIONS
25 YEARS OF THE ORPHAN DRUG ACT
TUMOR TICKER™, AND MORE . . .

Sales Representatives and the Community Oncologist: The Doctor Is In...Sometimes

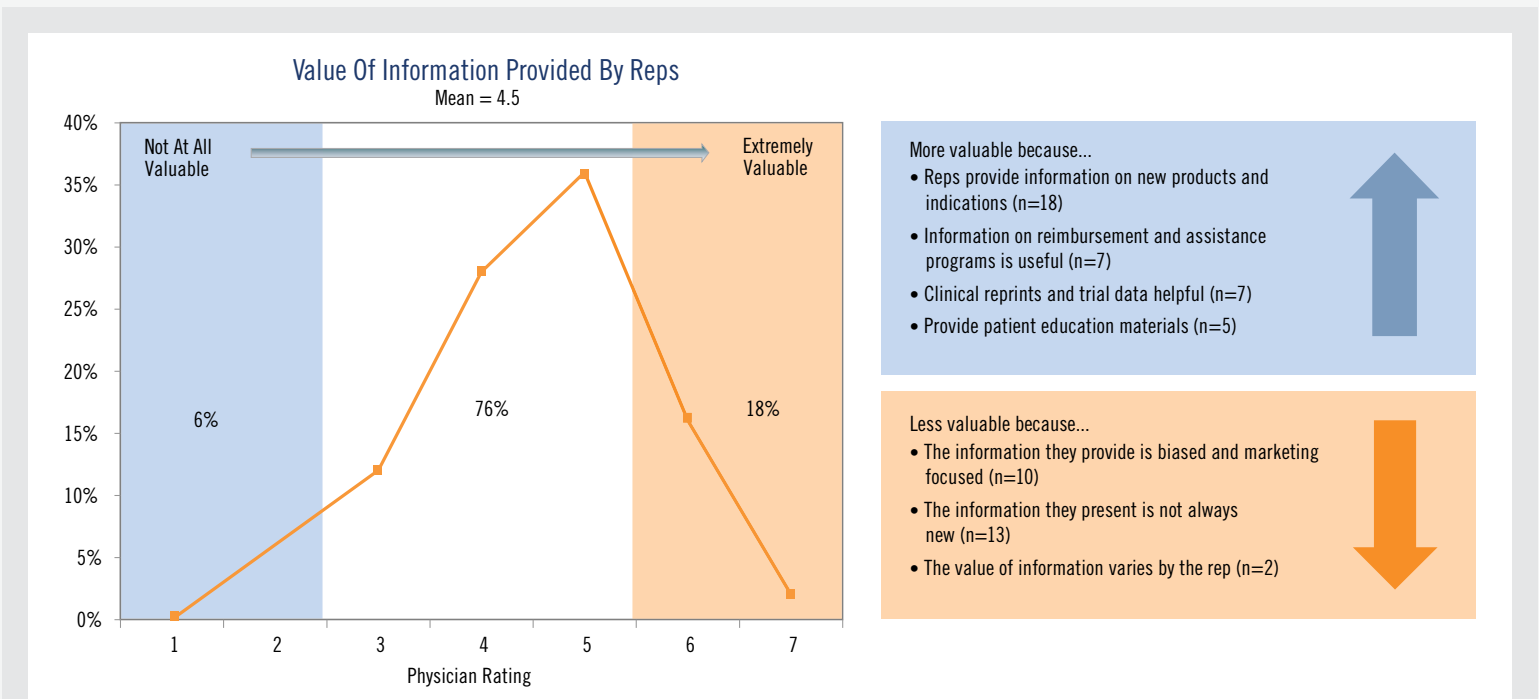
By Peter Carlin and Don Stark

OBR/MSI MARKET RESEARCH SURVEY

Much has been written regarding the restrictions placed on sales representative access and the physicians they are hired to call upon. Most of these studies have examined the growing number of restrictions within primary care, hospital-based, and academic practices, but have rarely focused on community-based oncologists.

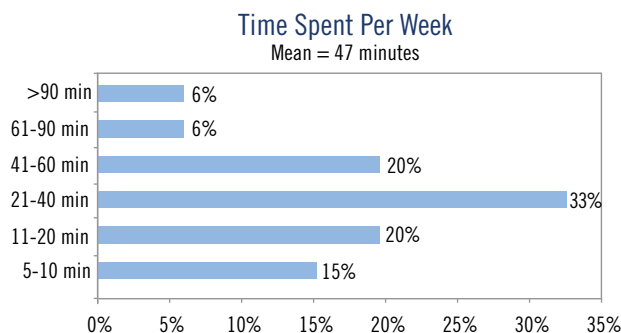
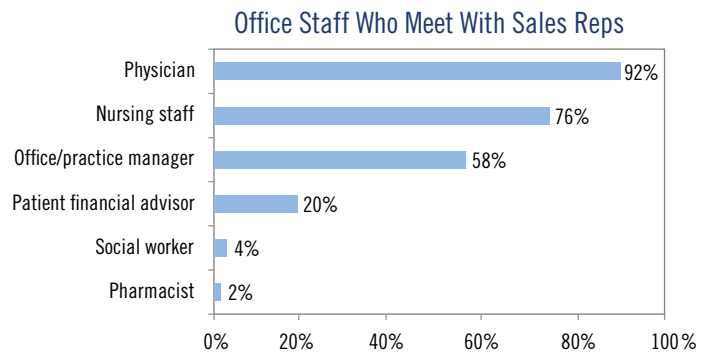
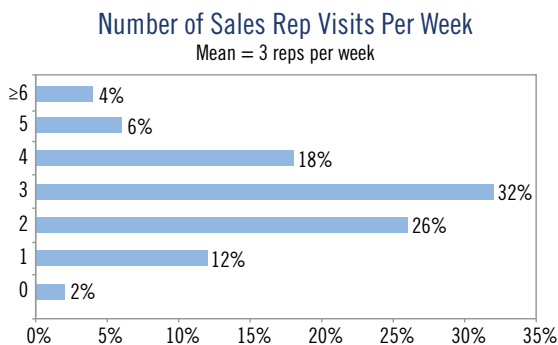
Market Strategies International, in conjunction with Oncology Business Review, conducted a survey of 50 community-based oncologists in

January and February 2008 to determine how widespread these access restrictions are in community-based oncology practices. The survey also attempts to assess how the relationship between oncologists and representatives is changing and what it is that physicians perceive their needs are from sales representatives and from companies. The oncologists who participated in this survey were primarily in single specialty group practices, typically with five or more oncologists. Approximately 30% classified themselves as medical oncologists and the remainder considered themselves hem/oncs.



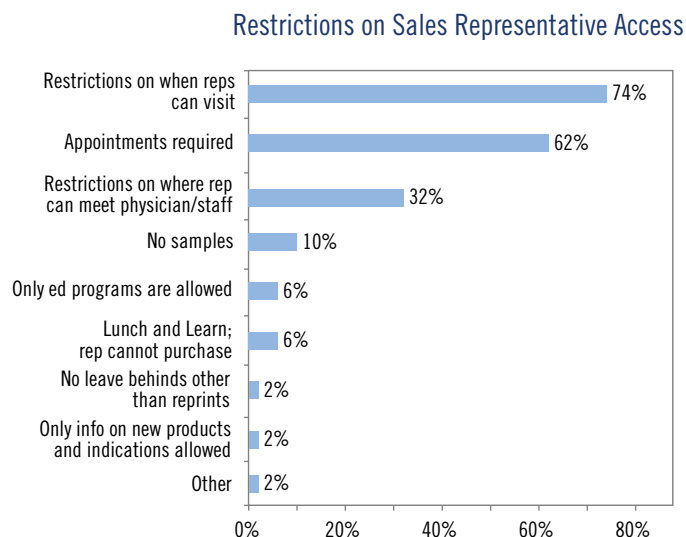
Value of Information Provided by Sales Representatives

It is clear from these figures that the role of the sales representative is not obsolete. As shown, most oncologists (76%) perceive the information they receive as at least somewhat valuable. Information about new products and new indications are the primary reasons why physicians value the information sales representatives provide. But it is also clear that a small minority feel that the information provided is less valuable either because it is biased or dated.

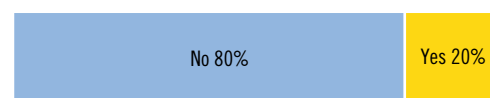


Meetings with Sales Representatives

In the practices surveyed, sales representatives meet with nearly all community-based oncologists. They also frequently meet with nursing and practice management staff in these practices. On average, oncologists are meeting with 3 sales representatives/week (32%), although 40% are meeting with 2 or fewer representatives. Of particular interest is the time spent with representatives: on average about 47 minutes/week or about 15 minutes per sales representative call. In reality, this is probably a high estimate since the statistical mode for the time spent with representatives is less than 30 minutes per week or 10 minutes per sales representative visit.



Formal Guidelines Restricting Sales Rep Access



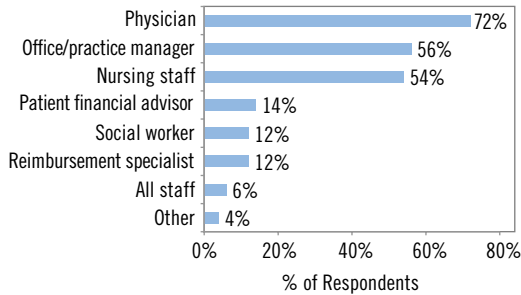
Restrictions on Sales Representative Access

Nearly all community-based oncology practices have implemented some restrictions on sales representative access. Most practices either limit sales representative visits to specific times or days of the week and/or require appointments for all meetings. However, most of the practices have not formalized these guidelines with a written document, so how well they are enforced is not clear (although anecdotal evidence suggests that they are usually enforced).

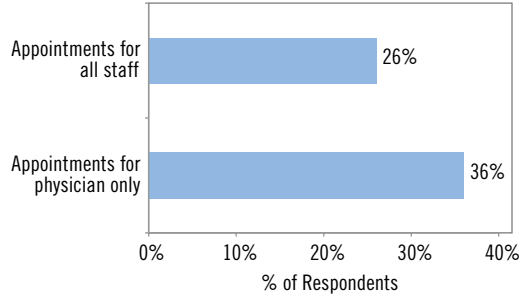
cont. on pg 42 >>>



Staff Subject to Practice Guidelines on Rep Access



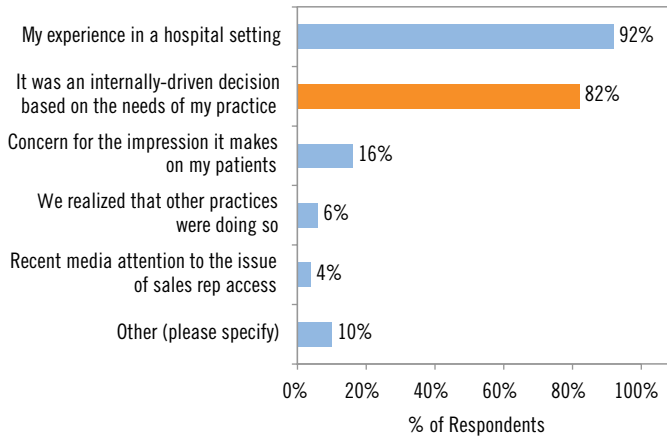
Appointments Required



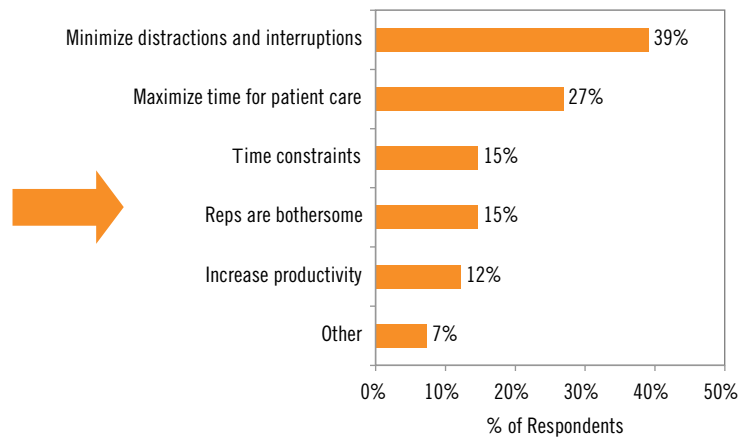
Access Restrictions for Practice Staff

Access restrictions are not being limited to physicians only, but are commonly applied to all office staff. For example, appointments are being required even for sales representative meetings with office staff in one-fourth of the practices.

Why Practices Restrict Sales Rep Access



Why Practices Restrict Access Breakout

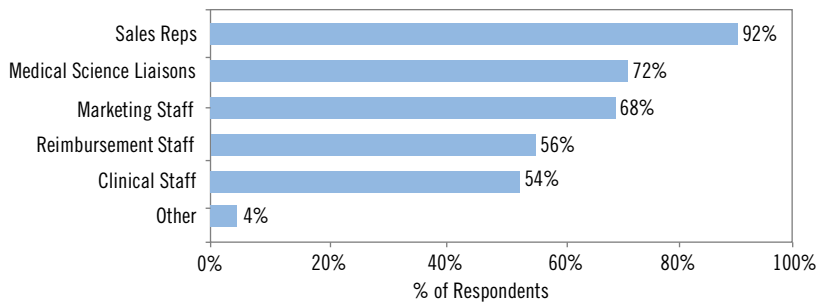


Reasons Why Practices Restrict Sales Representative Access

Community-based oncologists see some of their patients in the hospital setting, and as such, observe the restrictions those institutions have in place regarding sales rep access. These restrictions have, in turn, influenced instituting restrictions in their own practices. In addition, the internal demands of their practice, such as the need to see more patients to offset the changing financial environment, have driven the decision to limit company representative access. Over 80% of the physicians adopted access policies because they perceived sales representative meetings as distracting or reducing time with patients.



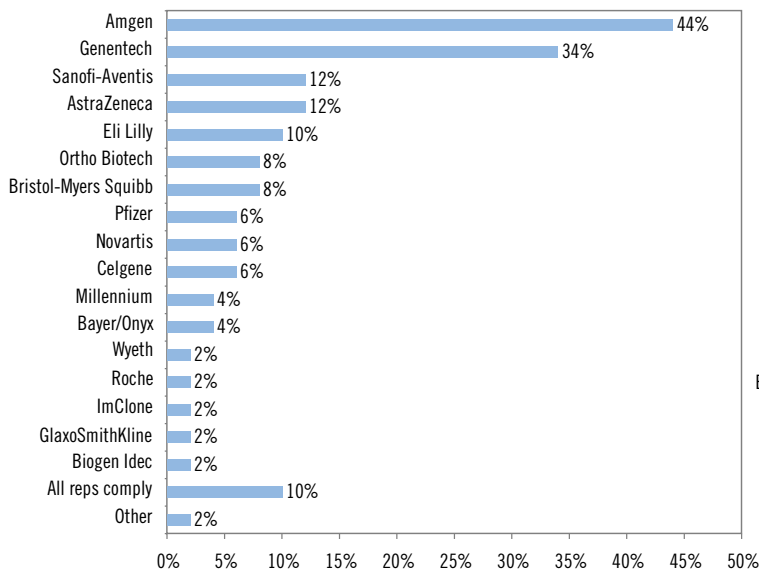
Industry Staff Subject to Practice Guidelines



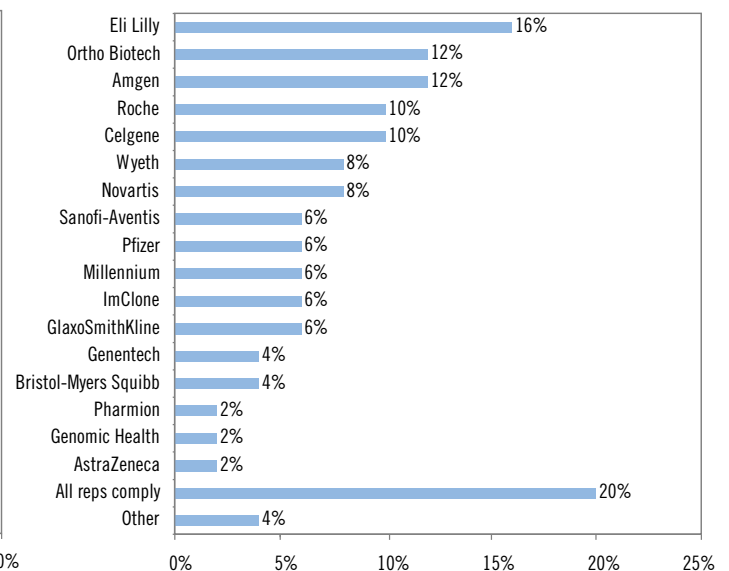
Industry Staff Subjected to Restrictions

Access restrictions were originally targeted to sales representatives. However, as companies put more staff in the field with very specialized functions in an effort to gain greater access to community-based oncologists and their office staff, the access restrictions are being applied to all company personnel.

Most Compliant Reps



Least Compliant Reps

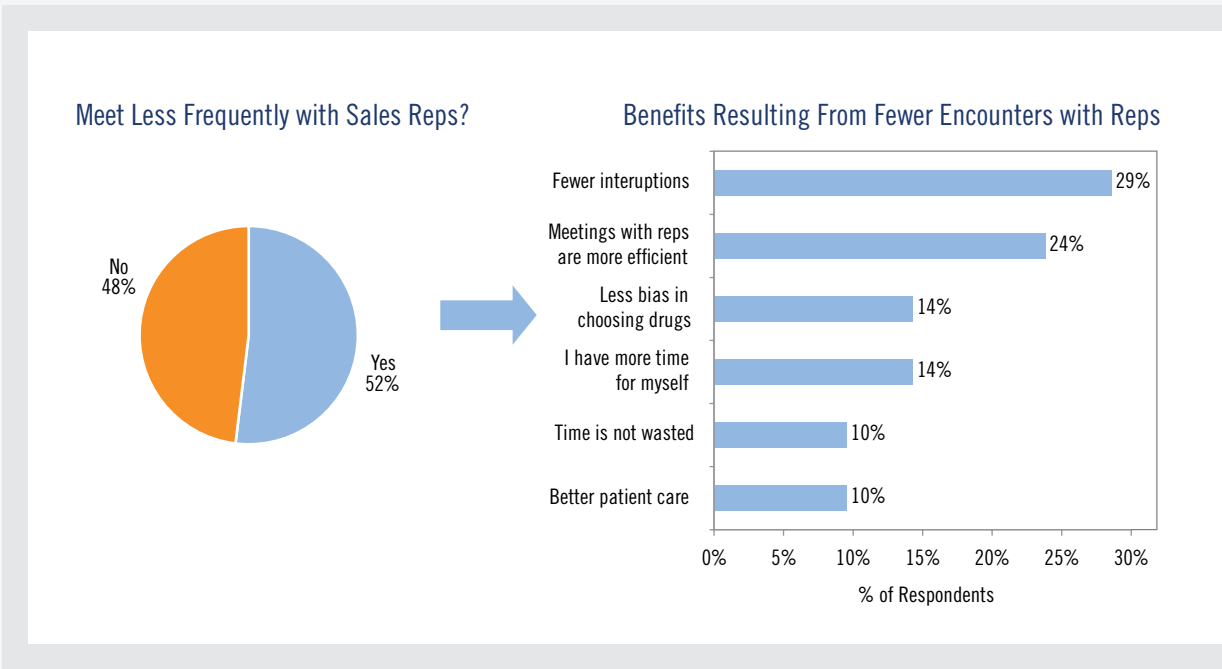


Representative/Company Compliance with Restrictions

Amgen and Genentech, two companies with a strong oncology presence and typically ranked as the leaders among oncology sales forces, finish first and second among companies perceived as complying with access policies. Since least compliant ratings are so well distributed across many companies, that assessment is probably driven by individual personnel rather than corporate practice.

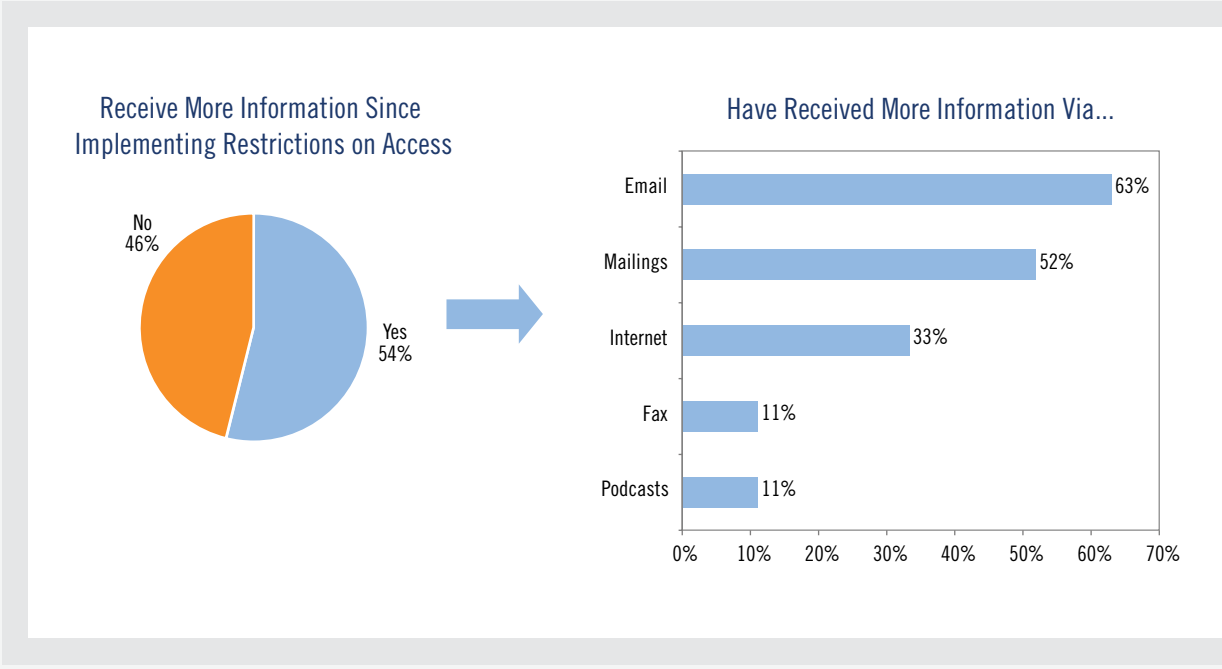
cont. on pg 44 >>>

RESTRICTED ACCESS



Impact on Frequency of Representative Visits

Since implementing access restrictions, a slight majority of the practices are meeting less frequently with sales representatives. The benefits accrued from less frequent visits are that the scheduled meetings are more efficient and less distracting to the practice.



Industry Adapting to New Restrictions

Roughly half the respondents have observed that since they have implemented access restrictions, they have been receiving an increased quantity of emails, direct mailings, and other promotional initiatives, perhaps to offset their reduced physician visits.

SURVEY SUMMARY

While oncologists may not be restricting company representative access as quickly as primary care physicians or institutions, it is clear that the interactions between oncology sales representatives and community-based oncologists are changing. Community-based oncologists are meeting with representatives less frequently, primarily to limit practice interruptions and improve the efficiency of the meetings they have with representatives. Most have implemented a variety of different access restrictions, but these restrictions are generally not reduced to a formal written policy that is distributed to company personnel. Instead, the access restrictions are communicated verbally to the representatives.

In addition, the access restrictions are being applied to all company personnel, not just sales representatives. Community-based oncologists, however, perceive that these access restrictions have had little or, perhaps, a slightly positive impact on the level of support and information they receive from the pharmaceutical companies. In fact, community-based oncologists believe that the restrictions in sales representative access have been offset by greater communication from the companies via email, the Internet, and direct mail. **PC DS**

Acknowledgement

The authors would like to acknowledge MSI's Ellen Gordon, PhD and Shannon Clancy who helped tremendously in the preparation of this article.

About The Contributors Of This Survey

MARKET STRATEGIES
INTERNATIONAL

Market Strategies International is a full-service market research and consulting firm with extensive experience in the communications, energy, financial services, healthcare, and technology sectors. Market Strategies employs more than 250 senior consultants, researchers, statisticians, and project managers and specializes in the areas of customer satisfaction and loyalty, market opportunity assessment, market segmentation, message and communications testing, usability evaluation, and brand assessment and management. Founded in 1989, Market Strategies is headquartered in Livonia, MI, with regional offices in: Portland, OR; Atlanta, GA; New Providence, NJ; Little Rock, AK; Hong Kong, PRC. Please visit www.marketstrategies.com for more information.



TAKE HOLD OF YOUR INDUSTRY WITH OBR.

Today's environment demands that you are clinically astute and business savvy. Stay on top, in tune, on track, and in touch with your industry by joining the OBR community.

visit oncbiz.com today