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By Jon Roffman, Pranav Srivastava and Sankalp Sethi
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Last year was a busy one in oncology: In 2016, global oncology revenue grew by $11 billion, nine manufacturers launched 12 new products, and 836 new molecules entered the development stage, according to data from a recent journal article in *American Health & Drug Benefits*. Competition is ramping up quickly for oncology manufacturers. Their customers and end users now have more options and choices. To stand out in this increasingly crowded marketplace, oncology companies need to deliver an industry-leading customer experience.

In 2015, we launched the Oncology CX Tracker study to determine if customer experience truly matters in oncology. We found that investing in a positive customer experience can have a profound impact on driving revenue and differentiating oncology products: Companies that create a positive experience for their customers have 50 to 250% better access to their customers across personal and non-personal promotional channels, and see their revenues grow by $50 to $75 million for every $1 billion in their oncology portfolio.

When we set out to conduct a similar study in early 2017, we expected to see significant improvements in the customer experience across the industry. At first glance, the results of this year’s study—a quantitative survey of 252 oncologists, nurses and administrators—showed that the industry as a whole has not moved the needle much relative to the first wave of our study, but upon closer inspection, it became clear that some companies have made investments in the customer experience, and it has paid off substantially. At the same time, the majority haven’t managed to move the needle, and some have even seen declines in their customers’ perceptions of the experience that they deliver. Among the 24 oncology companies represented in the 2017 survey, only six have a positive Net Promoter Score (NPS)—that is, the percentage of promoters exceeds the percentage of detractors. The remaining 18 have a negative NPS.

The fact that the industry has yet to achieve noticeable advances in customer experience is having a direct impact on pharmaceutical companies’ revenue. This year’s study shows that oncologists prescribe 70% more products from companies that deliver a positive experience than from companies that deliver a negative experience. In essence, companies that aren’t investing in the customer experience are leaving money on the table.

Given that potential, and if manufacturers know that the experience they’re delivering is negative—which seems to be the case, based on our conversations with many clients—why haven’t they done more to improve it? Through our interactions with clients combined with our analysis of the latest Oncology CX Tracker results, we’ve debunked three commonly held beliefs about the oncology customer experience that often discourage companies from investing in CX improvements, and from reaping the bottom-line rewards.
Debunking the Myths

Certainly, many industries are still trying to figure out the right formula to deliver a positive customer experience, but oncology companies often cite one or more of the following “myths” as barriers to investing in a better customer experience:

**Myth No. 1: “A great product will ensure a positive customer experience.”**

Two of the leading oncology companies in our survey launched strong products in 2017—both of which were on pace to become blockbusters—but only one of the companies received a positive NPS score. Why? The company with the positive score not only had a great product, but also invested heavily in other important elements of the customer experience, including its sales team and support services.

On the other hand, the company with the negative score didn’t invest in such a holistic approach to the customer experience. In fact, it created significant disruption to customer relationships as it re-organized its sales teams in preparation for launch. Ultimately, customers were dissatisfied with its sales team and other offerings—leading to a negative overall experience despite its great product. (See sidebar.)

As this example illustrates, a good product is necessary to achieve a positive customer experience, but it isn’t sufficient on its own. Similar to our 2015 study, we found that customers stated that products account for roughly one-third (32%) of the overall experience. “Support services” account for 22% and “people” account for 20%. Perhaps even more telling is the derived importance of these elements on the overall experience, which showed that “people” and “support services” were more important to the overall customer experience than “products.”

### FACTORS THAT AFFECT CUSTOMER EXPERIENCE

<table>
<thead>
<tr>
<th>Stated Importance</th>
<th>Derived Importance¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>People</td>
<td>31%</td>
</tr>
<tr>
<td>Services</td>
<td>27%</td>
</tr>
<tr>
<td>Online/Virtual</td>
<td>26%</td>
</tr>
<tr>
<td>Reputation</td>
<td>22%</td>
</tr>
<tr>
<td>Product</td>
<td>21%</td>
</tr>
</tbody>
</table>

*All stakeholders (n = 252)*

¹ Derived importance calculated as absolute linear correlation of attribute rating with overall customer experience rating.

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**Why Innovation Is Insufficient**

In 2016, two leading oncology companies launched strong, innovative products. Both were on pace to become blockbuster drugs and were lauded as major innovations in the marketplace. The success of these new products was clear: Company A’s product Net Promoter Score was +33%, and Company B’s product score was +37%. By all accounts, both companies were excelling in the marketplace.

The companies’ overall scores, however, tell a different story. While Company B received a positive overall NPS, Company A’s overall NPS was negative. Both companies’ products were doing extremely well, so why was Company A lagging behind?

Unfortunately, Company A was severely lacking when it came to other drivers of customer experience: people, services and clinical trial engagement. The company made a mid-year shift in its sales force structure, which disrupted several customer relationships. Further, the company’s sales staff and trial engagement experience left a lot to be desired: Its people earned a -6% NPS, and its trial engagement score came in at -11%.

Company B, on the other hand, augmented its product by investing heavily in clinical trials, portfolio diversification and customer experience initiatives, which included tracking tools and dedicated customer experience roles—earning the company a positive NPS.

Clearly, product innovation alone is insufficient. Oncology companies can’t forget about the people and the support services elements, which—combined with a good product—go a long way toward forging holistic, positive customer experiences.
Myth No. 2: “The more oncology sales reps, the worse the customer experience.” A common belief among manufacturers is that customers want a single point of contact. They worry that having five reps call on a single customer will create a negative experience. But according to our study, nine of the companies surveyed have sales forces of 190 reps or more, and the average NPS among them is 0%. On the flip side, seven of the companies have sales forces of 100 reps or fewer, and their average NPS is -34%.

That doesn’t mean that more reps is always better. Rather, it suggests that a larger sales force—around 200 reps or more—actually can enable strong in-person engagement as long as the sales force works together in an orchestrated manner to deliver a positive experience. Take an example from the B-to-C world: There are dozens of employees walking the floor at the Apple store. What might seem like an overwhelming experience for the customer actually is carefully orchestrated to provide the best, most efficient experience possible: One employee welcomes you, another helps you set up your new technology purchase, another provides advice at the Genius Bar, and so on. There are many points of contact, but they’re all specifically orchestrated to meet your needs, and they also coordinate among themselves to keep your experience consistent.

In effect, customers have a better experience when sales reps—or Apple employees—are well-coordinated and orchestrated, and the more well-orchestrated reps serving you, the better the experience.

<table>
<thead>
<tr>
<th>Size of Sales Force (Number of Sales Representatives)</th>
<th>Number of Companies</th>
<th>Average Net Promoter Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>190+</td>
<td>9</td>
<td>0%</td>
</tr>
<tr>
<td>100–190</td>
<td>7</td>
<td>-28%</td>
</tr>
<tr>
<td>≤ 100</td>
<td>6</td>
<td>-34%</td>
</tr>
</tbody>
</table>

Figure 2: Strong in-person engagement helps deliver a positive customer experience when sales reps tailor their engagement efforts to meet the customer’s needs.

2 Analyses done for 22 companies for which sales force data for Q4 2016-Q1 2017 was available.
Myth No. 3: “The market is too regulated for an oncology company to deliver a positive customer experience.” B-to-C examples like the Apple store experience often are met with skepticism from our clients. They argue that the pharmaceutical industry is too heavily regulated to allow them to deliver a customer experience on par with B-to-C industries. Moreover, they say that the oncology space is so complex that they can’t do much to alter their customer experience: There are too many stakeholders, the science behind the drugs can be burdensome in and of itself, and the end users are contending with life-threatening conditions. Customer experience has to be relegated to the back seat, they posit.

However, in our study, companies’ Net Promoter Scores vary widely, ranging from -50% to +24%. Pharmaceutical companies can—and do—invest in worthwhile changes to their customer experiences that will have a positive impact on how their stakeholders perceive their treatments, and a regulated market isn’t as big of a barrier to entry as some companies might think.

The two companies in our study that went from a negative NPS in 2015 to a positive NPS in 2017 made a concerted effort to improve the customer experience, implementing tracking tools, hiring headquarters-based customer experience roles, substantially expanding their sales forces, and pursuing technology initiatives to make interactions with customers more seamless. As a result, both companies had successful product launches and saw their annual oncology revenues for both companies grow by more than 50%.

Turning Myths Into Motivation

Now that we’ve debunked many of these perceived myths, how can you learn from them to create a better, more unique customer experience? Here are a few examples of concrete steps that we’ve seen other oncology companies take that can help get you there:

+ **Map out the customer experience.** Customers are going to have experiences—good or bad—no matter what, so invest in designing the experiences that you want them to have. The key is to put yourself in the physician’s shoes: What is she seeing, hearing and feeling when she interacts with your reps or encounters your messaging? Try to bring the healthcare provider’s perspective to life to gain some perspective on what your customers are experiencing and how you can improve their engagement.

One innovative oncology company created a series of detailed maps that illustrate the customer journey, allowing their team to pinpoint specific opportunities for improvement. From there, the team filmed a few videos—actually acting out various scenes—that show what bad experiences look like and what good experiences should look like. They implemented the resulting changes across many different departments and channels, alleviating pain points and delivering a positive customer experience.
Think locally. Oncology companies are recognizing that the needs of certain local healthcare markets in the U.S. are becoming more differentiated, and they’re developing unique, localized programs instead of employing one-size-fits-all engagement efforts. For example, in the Boston area—where rep access is exceptionally poor—one company is piloting a model without traditional sales reps while at the same time enhancing the role (and number) of other resources in that geography to better engage their customers at an organization level.

Track your progress—and refine as you go. As you work to improve, it’s critical to track customers’ perceptions of, or reactions to, your customer experience to gauge your progress. You could implement a structured feedback program or simply send out a customer survey. Several oncology and pharmaceutical companies already have implemented tracking mechanisms that operate at the program level, usually assessing the customer experience per program and making the necessary changes as they go along. One pharmaceutical company piloted a closed-loop voice of the customer program to collect feedback through a short survey administered after each rep interaction. As a result, the company saw a 15% increase in product share in the pilot geography after just three months.

Given the increased competition, oncology companies can no longer get by on product alone. Delivering a positive customer experience is a key differentiator. In fact, our study shows that companies with a positive customer experience have in-person rep access to 91% of physician customers while those with a negative experience only have rep access to 64%. Moreover, a positive NPS is achievable, despite the market’s complexity and regulatory hurdles.

However, keep in mind that customer experience improvement isn’t an initiative. It’s an ongoing strategic imperative. You have to track your progress and respond as the market continues to change and customers continue to evolve. Companies that work toward developing a more positive customer experience will achieve a competitive advantage and, ultimately, help more patients.
About This Study

Data presented on the oncology customer experience is drawn from a market research study conducted by ZS from Dec. 23, 2016, to Feb. 3, 2017, using a quantitative survey. The survey collected a total of 252 responses. Respondents included 134 oncologists, 57 nurses and 61 administrators.

The survey sought to understand the customer experience delivered by oncology manufacturers from two perspectives:

**Overall customer experience:** For 24 oncology manufacturers and six non-pharmaceutical companies, the survey asked respondents, “Thinking about your overall experience with the companies, how likely are you to recommend the following companies to peers on a scale of 0-10?” We converted these responses into the Net Promoter Score (NPS) for each company. To determine the NPS, respondents are grouped into promoters (score 9-10), passives (score 7-8) and detractors (score 0-6). Subtracting the percentage of detractors from the percentage of promoters yields the NPS.

**Drivers of customer experience:** The survey sought to identify the reasons for positive and negative customer experiences, in addition to tracking how companies have evolved their customer experience and identifying what drives these changes. It asked respondents to allocate 100 points across the following dimensions on the basis of their importance to the overall customer experience: products, people, patient services, reputation, and online and virtual engagement. Separately, it asked respondents to cite the reasons for a positive or negative customer experience.

To derive actionable insights, we conducted follow-up analyses that combined results from multiple sources:

- **ZS AccessMonitor** provides sales rep access information for oncologists. AccessMonitor analyzes call reports from 70% of U.S. pharmaceutical companies’ sales reps to generate insights into the current state of physician access restrictions.

- **Symphony Health Solutions** claims data was reviewed for 60 products across 24 companies to identify levels of product usage. We applied the claims data to determine each oncology manufacturer’s “patient share” for a specific oncologist. We determined patient share by dividing the value of an oncologist’s claims relating to a given manufacturer’s products by the value of the oncologist’s total claims across all manufacturers.
About the Authors

Jon Roffman is managing principal of ZS’s Boston office and leads ZS’s oncology field strategy practice. He’s focused on addressing sales and marketing issues for clients in the oncology marketplace, with an emphasis on field force and customer experience strategy, planning and execution. Jon has significant experience with oncology field teams and has advised more than 20 oncology companies on sales and marketing strategy issues.

Sankalp Sethi is a manager in ZS’s Boston office and is a member of the ZS oncology vertical. Over the past seven years, Sankalp has helped ZS clients commercialize products in oncology and specialty therapeutics. He has helped clients develop commercialization strategies and segmentations, and design forward-looking local and global go-to-market models to successfully navigate the evolving dynamics in the oncology market.

Pranav Srivastava is an associate principal in ZS’s Chicago office. His 11 years of experience at ZS have included projects ranging from market research and market coverage optimization to business intelligence reporting and analytics for clients in the technology, pharmaceutical and medical device industries. Pranav currently focuses on market research and analytics for pharmaceutical clients and is part of ZS’s oncology vertical.
About ZS

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