

Sampling Optimization for Physician Group Practices



Need to decide how many samples to give out? Worried about revenue cannibalization due to oversampling?

ABOUT THE CLIENT

Mu Sigma helped one of the top 10 pharmaceutical firms optimize its sampling program for group practices to maximize patient starts, switches and mindshare, while minimizing the revenue cannibalization from high sampling intensity. Achieving the right sampling volume at the right sampling schedule helped ensure covering available start and switch opportunities without sample wastage or revenue loss.

CHALLENGE

Pharmaceutical companies provide physicians with product samples in order to start new patients, switch patients that have been on alternate therapies, and to maximize the mindshare for a drug. However, measuring and optimizing sample effectiveness has been a tricky problem. Too low a sampling intensity results in missed opportunities for growing market-share and mindshare. Too many samples lead to sample wastage and revenue cannibalization when samples are given in lieu of prescriptions to existing patients on the medication.

APPROACH

Sample drops have a variety of behavioral effects on physicians and patients – like starting a new patient on the drug, switching patients from an alternative treatment, and building mind share. But sometimes physicians give out samples instead of prescriptions to patients who are already on the treatment leading to revenue losses, or there could even be sample wastage. We defined a set of metrics that could be computed from anonymized patient level data to quantify the different behavioral effects and observed the effect of different sampling strategies on these metrics in the weeks immediately after a sample drop. The optimal sampling intensity was found as that which led to maximum new patient start/switch, and any higher sampling intensity was clearly seen to be counterproductive in terms of lesser new patients and higher revenue loss.

OUTCOME

Our client was able to fine tune its sampling intensity and vary it for different physician groups. This allowed it to maximize the return on sample drops by increasing mind share and new patient prescriptions while avoiding sample wastage and revenue cannibalization.