REPORT

ZS medical affairs outlook report 2024

Achieving go-to-market success with next-gen medical affairs

By Sunil John and Sarah Jarvis

Impact where it matters.®

Executive summary

As the healthcare industry adapts to a new landscape, medical affairs organizations must stay attuned to the evolving needs and expectations of an increasingly diverse and expanding set of stakeholders.

The 2024 ZS medical affairs outlook report sheds light on key insights and emerging trends, including advancements in the medical affairs domain, evolving go-to-market strategies, a growing emphasis on technology and clinical practice changes. To gain a comprehensive understanding of the medical affairs ecosystem, the report analyzes the perspectives of both internal medical affairs professionals as well as external key opinion leaders (KOLs).

By closely examining these varied viewpoints, the report aims to equip medical affairs leaders with the knowledge and foresight required to navigate the dynamic healthcare landscape and effectively engage with their expanding stakeholder base. As the industry continues to evolve, this holistic analysis provides critical guidance to help teams adapt and thrive.

On average, a KOL takes three to four actions after an MSL interaction ... Additionally, almost half of KOLs said that they shared information with colleagues or switched their treatment or line of therapy following an MSL interaction.

Key findings

An analysis of this year's survey data identified the following key trends:

Evolution of medical affairs organizations

While most medical affairs organizations remain in a state of evolving organizational maturity, the percentage classifying themselves as best in class increased from 13% to 19% over the past year. Companies are focused on refining their strategic planning processes and enhancing cross-functional collaboration to further improve their organizational maturity.

Priority investment areas

Field medical continues to be the top area of investment in medical affairs, apart from research and medical education. While the majority of internal respondents indicated that investment in people is the most important area, external vendor and consulting support is increasingly important in areas like medical communications and health economics and outcomes research (HEOR).

Technological advancements

While there have been slight capability changes from last year, most medical affairs organizations are increasingly data-driven and digital. They are starting to use generative AI for insight generation and analytics, content development and publication, literature reviews and other tasks. Some are also exploring the potential of incorporating capabilities like chatbots and social media.

External perceptions of pharma companies

On a "likelihood to recommend" (LTR) scale of -100 to +100, the likelihood of KOLs recommending medical science liaisons (MSLs) as a source of information varies widely across a list of 25 pharmaceutical companies, with over 95% of the companies scoring between -100 and 30. This variation is driven by factors such as MSL attributes, KOL relationships, medical share of voice and company portfolio. Similarly, KOLs have differing perceptions about the coordination across touch points within a pharmaceutical company. These findings underscore the need for pharmaceutical companies to enhance their engagement strategies with KOLs.

Expanding customer universe and new medical roles

External respondents, or KOLs, said they participate in professional societies, pharmacy and therapeutics (P&T) committees, clinical steering committees and more. In addition to KOLs, medical affairs organizations engage with community physicians, hospital networks, payers, nurse practitioners, clinical research teams, pharmacists and many others. To address this diverse array of stakeholders, nontraditional medical roles are emerging, including field medical excellence, payer-focused MSLs, medical account managers and portfolio MSLs.

Engagement preferences and KOL accessibility

Both medical affairs professionals and KOLs expect nearly 60% of total planned interactions to be face-to-face in 2025 and beyond, but internal respondents indicated that KOL inaccessibility is their most difficult challenge in trying to reach KOLs. Not surprisingly, off-target stakeholder engagement is also on the rise. Moving forward, 78% of KOLs want a hybrid engagement model—meaning both face-to-face and virtual meetings with MSLs—while a subset (19%) only want face-to-face meetings.

Scientific engagement

MSL interactions encourage KOLs to take specific actions that help drive changes in their clinical practices. On average, a KOL takes three to four actions after an MSL interaction, and the most common action is sharing information with colleagues, as reported by over 55% of respondents. Additionally, nearly half of KOLs said they switched their treatment or line of therapy following an MSL interaction.

Methodology

In the first half of 2024, ZS fielded two industrywide surveys that yielded insights on current and future trends across the medical affairs landscape. More than 160 medical affairs professionals from more than 35 global companies participated, as did 160 KOLs from the U.S., Canada and Europe. Over 75% of the surveyed internal respondents work at the director or executive level. External respondents were spread across therapy areas including, but not limited to, oncology, ophthalmology, neurology and cardiology.

Reevaluating the go-to-market framework in medical affairs

The role of medical affairs is increasingly critical in today's evolving healthcare landscape. Medical affairs plays a pivotal role in advancing scientific understanding, which enables it to support product launches and facilitates the appropriate adoption of new therapies. As the frontline interface between the medical community and the organization, it's uniquely positioned to drive appropriate practice change among KOLs who enable clinical decision-making. Successfully engaging with them requires tailored, timely and relevant medical content delivered through their preferred channels. By understanding the evolving needs and challenges faced by KOLs, medical affairs can reconfigure their strategic go-to-market (GTM) framework, which will empower their KOLs to make better decisions and drive practice change. This leads to improved patient outcomes.

In this dynamic healthcare landscape, KOLs place varying levels of emphasis on receiving valuable information at specific stages of the product life cycle. Medical affairs organizations have the unique opportunity to advance scientific understanding throughout the product life cycle until launch. But failing to provide information when it's needed can result in missed opportunities for meaningful KOL engagement and understanding.

According to our survey, more than 55% of KOLs in the U.S. and EU believe MSLs should begin scientific engagements before or during phase 3 clinical trials. Most KOLs said they need the latest pipeline developments and product information during phase 3 clinical trials and require trial design information during phases 1 and 2. Our analysis revealed that if the required information is shared with KOLs one stage later than they prefer, the opportunity to effectively advance and disseminate scientific knowledge declines significantly.

When this happens, KOLs are less likely to have confidence in the therapy or find the information relevant, and they'll have less time to integrate and adopt the therapy into their clinical practice. This loss is highest at phase 3 and peri-launch because of the high adverse impact of receiving late information on 56% of KOLs in the universe who want MSLs to begin engagements at these stages.

Moving forward, medical affairs organizations should carefully consider the diverse stakeholders they need to engage, the frequency and settings of these engagements, the right time to begin interactions and the relevant content to deliver. Standardized engagement

approaches may be less effective than in previous years. To maximize the potential for impactful engagements, it's important to understand KOL preferences for receiving relevant information. To solidify their role as a critical enabler of practice change, medical affairs organizations must reevaluate their GTM strategies to ensure they are agile, responsive and aligned with the dynamic needs of KOLs and the broader healthcare ecosystem.

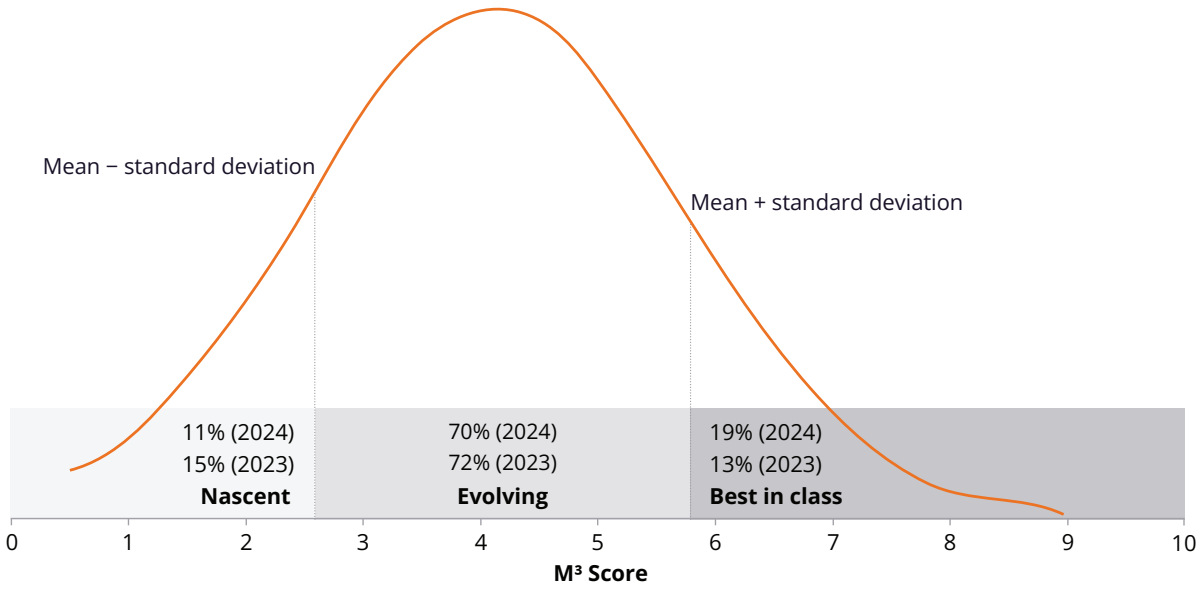
Paving the way for next-gen medical affairs

After the COVID-19 pandemic, companies are assessing the medical affairs landscape, industry expectations and their core capabilities that drive success. To help organizations evaluate their capabilities, ZS has developed a proprietary medical maturity model called M-cubed (M^3) that benchmarks medical affairs organizations' capability maturity across the industry. This model has helped medical affairs leaders understand organizational expectations and devise strategies for areas of improvement.

M^3 is based on three key dimensions: Strategic planning processes, data-driven decision-making and coordination among roles. The M^3 analysis assesses maturity and identifies essential growth drivers and opportunities for medical affairs organizations. Results from the M^3 analysis have helped us classify medical affairs organizations as nascent, evolving or best in class.

FIGURE 1:

How internal respondents rated their medical affairs organization using M^3



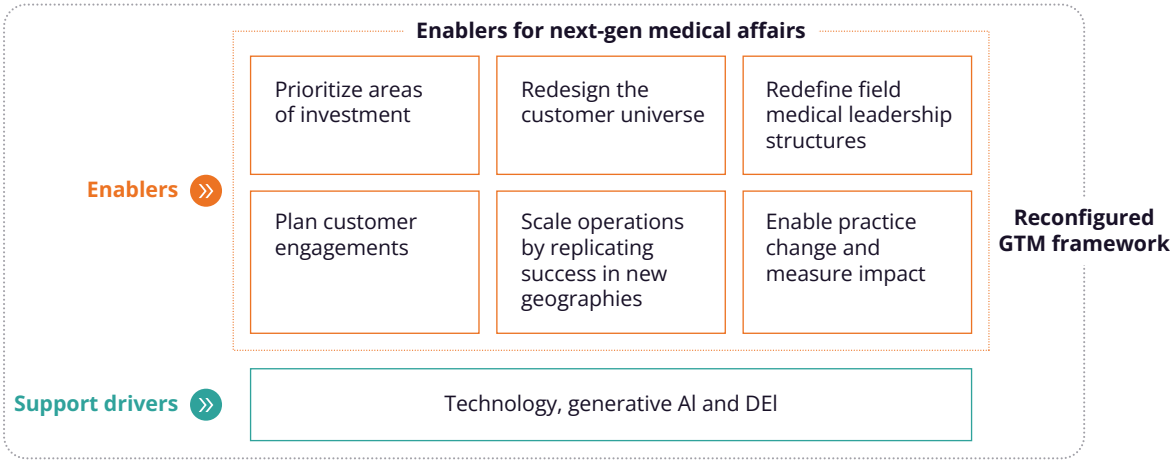
Similar to our findings last year, a significant majority of respondents view their pharmaceutical companies to be in the evolving stage. However, 19% of respondents said their medical affairs organizations are best in class, up from 13% in 2023.

The medical affairs organizations that are considered nascent or evolving can grow by improving the maturity of their capabilities. To enhance strategic planning, organizations can adopt new ways of working and develop long-term strategic plans that align to brand strategy. They also improve coordination across roles by defining clear responsibilities and establishing forums for transparent cross-functional data sharing. Additionally, an insight-driven omnichannel strategy and a centralized customer relationship management system better enable data-driven decision-making.

Once an organization has assessed its current capabilities, there are six key enablers—which we will call next-gen medical affairs—that can help organizations determine where they can direct their efforts to enhance outreach and achieve objectives. The support drivers for a reconfigured GTM framework for medical affairs (see Figure 2) are technology, generative AI and diversity, equity and inclusion (DEI).

FIGURE 2:

Reconfigured go-to-market (GTM) framework



Enablers for next-gen medical affairs

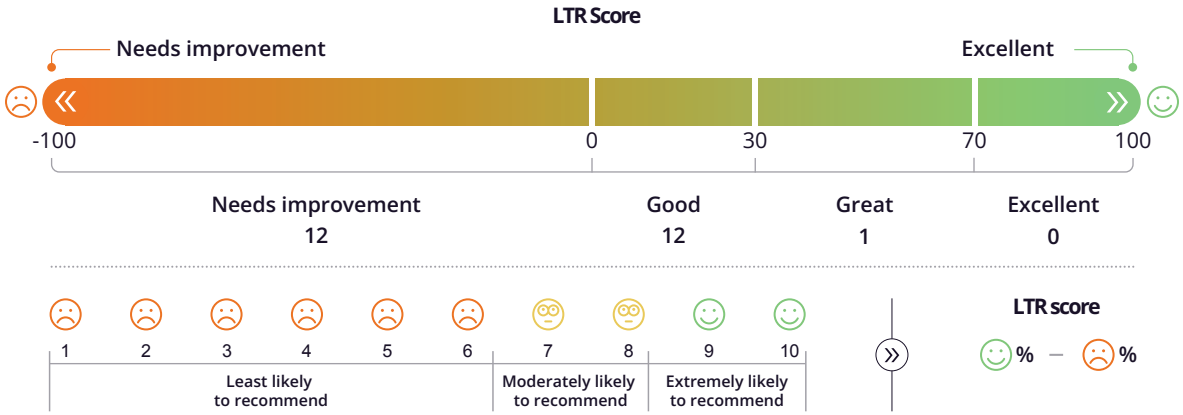
It's crucial to understand the wide variation in KOLs' propensity to recommend MSLs as a source of information before you can transform the GTM framework. These ratings provide valuable insights into the effectiveness of MSL engagements and the quality of relationships with KOLs. High "likelihood to recommend" (LTR) ratings signify successful and meaningful interactions that result in strong, trust-based relationships. Lower ratings identify areas requiring improvement.

On an LTR score range of -100 to +100, based on KOL interactions with MSLs from 25 pharmaceutical companies, we observed that as many as 12 companies need improvement. These 12 companies received an LTR score of less than 0. This score is calculated by subtracting the percentage of KOLs who rated their interactions 1 to 6 from the percentage of KOLs who rated them 9 or 10.

For companies that were rated higher, 12 received an LTR score between 0 and 30, and only one company had a score greater than 30. KOLs who provided an LTR rating of 9 or 10 did so because the MSLs demonstrated strong scientific expertise and effectively addressed their specific needs and preferences.

FIGURE 3:

Likelihood to recommend (LTR) score range based on KOL ratings from a list of top 25 pharmaceutical companies



KOLs prefer MSLs of one pharmaceutical company over others because of their existing product portfolio, pipeline products and available engagement opportunities, such as research collaborations. Another factor driving KOL perceptions is the level of coordination across the various touch points of pharmaceutical companies. KOLs appreciate companies that co-create tailored solutions for them and ensure efficient scheduling, with as many as 19 companies receiving a mean rating of 5 and above, based on KOLs' experience of observing coordination across the touch points at these companies. High scores demonstrate a deep understanding of KOL preferences and a commitment to addressing their evolving needs.

There are multiple ways to create impact for stakeholders. Companies can focus on these six enablers to define their next-gen medical affairs and achieve GTM success.

Enabler 1: Prioritize areas of investment

Based on their unique circumstances and needs, organizations should thoughtfully consider investment areas when reevaluating the go-to-market (GTM) framework.

Apart from research and medical education, senior medical affairs leadership indicated field medical is their top area for investment, with the function garnering 29% of their investment budget. It's followed by medical communication (15%) and medical information (14%). When probed on the specific areas of these investments, 87% of the internal respondents who provided the split for field medical investments indicated that the biggest area of investment is expected to be in people.

For publications, medical communications and HEOR, organizations emphasized their primary investments will be in external vendor or consulting support. Along similar lines, most of the internal respondents from emerging pharmaceutical companies consider field medical teams, scientific communication and publications to be key areas of initial investment for medical affairs.

The need for investment in field medical can be attributed to an increasingly complex stakeholder universe and its specialized data requirements, with this dynamic resulting in the emergence of nontraditional roles in medical affairs. Nearly 60% of internal respondents indicated field medical excellence is the top nontraditional role that medical affairs organizations are prioritizing, followed by payer-focused MSLs and medical account managers. The majority of respondents said that most of the nontraditional field medical roles under consideration already exist in their organization, while a small group is planning to introduce them in the future. These roles are crucial for developing effective strategies and fostering collaborations within medical affairs, as they help ensure the delivery of value-driven solutions that meet the needs and requirements of KOLs. Of the external respondents who interacted with teams beyond MSLs, nearly 80% have engaged with medical education teams, and more than half have interacted with medical communication and publications teams.

Given the growing complexity and unique needs of stakeholders, organizations should plan the frequency of engagements and take a pragmatic, thoughtful approach to prioritizing investments. As leadership invests more in medical affairs, a stronger backing is needed for its allocation across different functions—especially field medical teams, people and technology.

Enabler 2: Redesign the customer universe

Changes to any GTM framework requires internal alignment, planning and preparing for external stakeholder needs, as organizations must cater to more stakeholders than ever. Adapting their capabilities and processes to effectively address external stakeholders is increasingly important, and delivering them customized information requires meticulous planning and careful execution. Internal coordination is critical for delivering a cohesive and tailored experience for each external stakeholder group.

According to internal respondents, medical affairs organizations plan to reach approximately 60% of their total KOL universe. Both medical affairs professionals and KOLs expect 58% of total planned interactions to be face-to-face in 2025 and beyond. While both groups say three to four annual interactions with MSLs are optimal, there is a significant difference in preferred face-to-face meeting duration. Internal respondents say interactions with KOLs take an average of 34 minutes, while KOLs expect these meetings to last 24 minutes. Nevertheless, there is consensus on the duration of virtual interactions, with both groups indicating that about 21-26 minutes is right for virtual meetings over platforms like Zoom.

Fifty-two percent of internal respondents identified KOL inaccessibility—stemming from a lack of dedicated time, geographic dispersion and other factors—as their most difficult challenge in trying to reach KOLs. This is validated by external respondents, who cited their limited availability for engagements as the primary reason for their low accessibility to MSLs. Nearly 80% of internal respondents stated that MSLs go beyond their existing stakeholder lists to expand their reach. The reasons for this are to provide reactive support and to explore emerging or new KOLs for engagement.

But there are a lot of positives for organizations to focus on—29% of KOLs mentioned that they were extremely accessible, followed by 54% of KOLs stating that they were moderately accessible. In fact, more than 60% of KOLs don't anticipate any change in their accessibility to MSLs in the future; most that do anticipate an increase in their accessibility.

As we look toward the future, the breadth of stakeholders medical affairs will need to engage with will also increase. It's interesting to note that over two-thirds of internal respondents indicated that medical affairs organizations are increasingly contacting community physicians and planning an average of five interactions per year with them. Additionally, medical affairs organizations are also engaging institutions, hospital networks, payers and patient advocacy groups. About 60% of external respondents suggested MSLs should expand their interactions to include nurse practitioners, physician assistants and clinical research teams. We see MSLs engaging with pharmacy and therapeutics (P&T) or health technology assessment (HTA) committee members to share scientific information about unmet medical needs and how gaps can be addressed. These stakeholders are pivotal in their ability to drive important practice change to improve patient outcomes through appropriate guideline recommendations or medical coverage discussions. It's important to note that not all stakeholder engagements will be one on one, and some may want to engage in group settings.

Beyond one-on-one interactions, 76% of external respondents identified symposiums and conferences as the most important group settings for engaging with MSLs, with a typical interaction frequency of two times annually. They also highlighted key national and regional congresses that are essential for their therapy areas, such as those hosted by the American Academy of Ophthalmology and the American Society of Clinical Oncology. Nearly 40% of external respondents indicated that increasing their overall scientific knowledge about recent trends is the most important factor in defining a successful congress interaction.

To effectively manage this diverse range of engagements, comprehensive customer engagement planning is essential. This involves detailed scheduling, prioritizing key events, rebalancing workloads and carefully assessing available capacity to meet outreach objectives.