

Sales SHIFT

As sales models continue to morph in light of resource realignment, analysts say the most successful companies will need to have a good talent management strategy in place and will need to provide sales training commensurate with the rep's role in the future.

The future of salesforces has been top of mind for some time as the arms race accelerated and then decelerated, but it has taken particular prominence since Glaxo-SmithKline moved to base its sales representatives' performance evaluations on the value and service provided to customers rather than individual achievements of sales targets.

"This is a radical departure from previous practices, and one that requires substantial buy-in from everyone in the organization to be successful," says Ken Ribotsky, president and CEO of the Core Nation. "But it will not take the place of sending reps out to speak one-on-one with physicians, and we all know how difficult it is for them to gain access.

Mr. Ribotsky says there are, however, several ways to increase the chances for success: optimize the model of salesforce effectiveness; enhance training and sales call quality; and improve targeting and develop more effective selling strategies.

"Well-trained sales reps will still be needed to call upon the right customers at a high rate of frequency to deliver targeted and relevant messages, but companies will need to prudently prioritize their efforts," Mr. Ribotsky says. "Because healthcare providers have become adept at avoiding sales representatives, even when they come to deliver needed samples, a sales rep needs to be able to deliver a compelling discourse that can be started in 35 seconds, which could lead to a much longer and productive conversation. I am not talking about a summary of a core sales aid, but something that addresses a problem that keeps physicians up at night. Finally, the days of being able to reach every physician to be targeted in one specific region are gone. It makes sense to start by targeting those practices that are already using a brand and add value to make those relationships even stronger. This is crucial, especially in the face of increased competition from other brands in the same category and emerging generics."

In the future a pharma company's "portfo-



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LYNN PAOLICELLI / Dudnyk

lio" will not be limited to pills in a bottle or solutions in a syringe, according to Greg Barrett, VP of marketing, Daiichi Sankyo.

"Successful companies will offer an integrated suite of services designed to improve the health and outcomes of patient populations, and sales reps will need to understand how to effectively use this new portfolio," he says.

Furthermore, Mr. Barrett says successful sales organizations will need to have a deep understanding of territory, district, regional, and national profitability. Sales objectives will be tied to generating profit not just prescription volume. The efficient use of technology will be required to accelerate effective implementation of sales and marketing tactics. Finally, keeping marketing and sales connected in real-time will be a vital part of this new model.

The Future Role of the Sales Rep

Evan Demestihias, M.D., CEO of The Medical Affairs Company, says sales reps may not even be "sales reps" in the future.

"The role itself will morph into one of an educator and a partner with the physician," Dr. Demestihias says. "This new role will focus on information delivery, and more effectively communicate both benefits and risks of a drug. Only in this manner can the rep gain the confidence of physicians when it becomes apparent to them that the goal of the rep is not necessarily to sell as much medicine as possible and that for some patients a particular treatment might in fact be inappropriate."

Mr. Barrett says the sales rep of the future will use a truly integrated suite of goods and services that are designed to not only treat the disease but also to improve the overall health and outcomes of specific patient populations.

"In this new model, sales representatives will be partners in care with healthcare professionals," he says.

Darlene Dobry, president of Ogilvy CommonHealth Medical Marketing, agrees that sales representatives will need to take on a consultative approach to selling, becoming specialists in their respective areas.

“This approach will require them to have greater depth of training on the product, the category, and the customer’s needs/psychographics, as well as elevating their level of service to bring value that extends beyond the brand,” she says.

Breaking Down Barriers

The economy is creating limited opportunities for rep-physician face time, thereby pushing prescribers to nonpersonal resources, says Steve Grandsen, VP, technical marketing, J. Knipper and Company.


“The most progressive companies are learning to connect their personal and nonpersonal activities,” he says. “They are creating synergies and leveraging the expertise of their reps to increase the value of nonpersonal tactics. The successful salesforce of the future will in fact be integrated if not integral to the nonpersonal strategy. As this integration evolves, the skill set of the salesforce will expand to include expertise in multichannel marketing, technology, and analytics. They will become involved in managing the most effective mix of tactics to meet the economic challenges and personal preferences of their prescribers. And their value will continue to increase as their tool kit expands and their sales paradigm shifts.”

Reps will be empowered to take a more strategic view of an assigned territory and be held accountable for achieving business goals, which will help overcome access barriers, says Lynn Paolicelli, VP, director of digital strategy, Dudnyk.

“Two factors contributing to these barriers include eroded trust and the pressure to see more patients,” she says. “These challenges put more pressure on sales teams to deliver value to HCPs well beyond products and services.

“Reps of the future will play the role of business owner, coordinating activities that solve the problems an office faces and assuming responsibility for deciding when and where to expend resources for the best return on investment,” she continues. “For reps to meet these new demands, their responsibilities will evolve to include skills such as strategic planning, data analysis, and business acumen. Training will be important, but hiring people who have the natural talent for these new responsibilities will be more important.”

John Carro, senior VP, management advisor, TGaS Advisors, says as the search for sustainable change continues, sales operations groups will be called on to think more strategically and to find their own “efficiency frontier,” the balance point between capabilities delivered and resources deployed.



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GREG BARRETT / Daiichi Sankyo

Knowledge is key, and according to Mark Samuel, managing partner at HealthAnswers Education, the best representatives will have outstanding knowledge about the therapeutic categories in which they compete as well as a strong grasp of the business/reimbursement issues surrounding the products in that category.

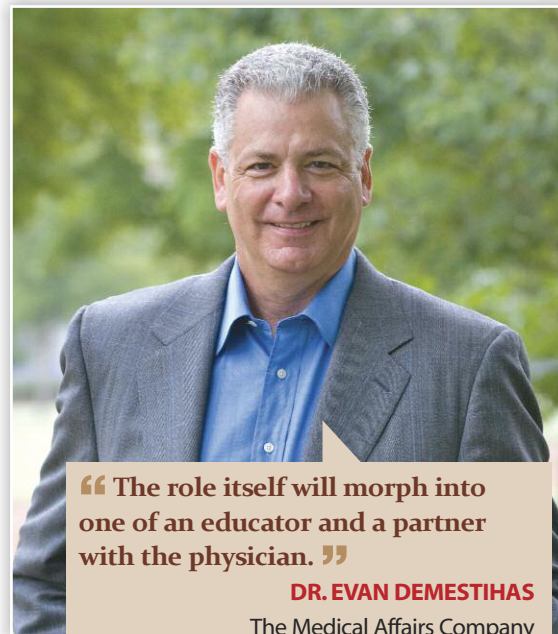
“They will need to understand the clinical and business challenges faced by the HCP office and provide service, much like a consultant provides,” he says. “They will need to provide a well-balanced argument as to where their product is most appropriate and where it may not be, given the clinical and business issues at hand. They will also need to provide concierge services to that office for anything from samples to business/reimbursement, clinical information, and patient materials.”

Philip McCrea, CEO, ClearPoint, says sales representatives of the future need to become ambassadors for their companies, not just their brands.

“Consultative and team-based selling will place representatives at the center of their teams by bringing solutions to healthcare organizations and patients,” he says. “This shift will require radical changes to what, and how, reps are trained. Mobile devices and advances in blended learning models will provide important new approaches to delivering training when and where it will be consumed most effectively. Moreover, analytics and survey-based insights will enable organizations to respond more quickly to changes in the marketplace.”

Providing this type of concierge service will require feet-on-the-street reps to sync up and reinforce the brand team strategies, which are integrated into the new physician workflow from electronic health records (EHRs) and e-prescribing (eRX), says Edward Fotsch, M.D., CEO of PDR Network.

“Reps can literally provide hands-on in-office demos for how medication adherence, education, and affordability services can be



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DARLENE DOBRY

Ogilvy CommonHealth Medical Marketing

SOUND BITES FROM THE FIELD ▶

The Top Trends Impacting Salesforces



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1. Targeting undervalued physicians. As the limits on KOL interaction become more rigid, due to increased scrutiny on transparency and academic and legislative policies such as the Physician Payments Sunshine Act, pharma sales and marketing managers will rely less on national KOL-focused strategies and more on community opinion leaders (COLs). Though they may not be high-decile prescribers, COLs are the local and often undervalued physicians who measurably drive practice behaviors within their peer circles. COLs are typically less likely to be affiliated with institutions with restrictive policies, and therefore unlikely to trigger the restraints that have significantly limited some traditional KOL-focused initiatives. Establishing relationships with COLs will enhance the positive effect across sales and marketing initiatives, from speaker programs to managed care pull-through.

2. Leveraging physician social networks. To identify the most influential COLs by territory, specialty, and disease state, the industry will rely on more powerful analytic technologies and physician social networking methodologies. These laser-focused tools will enable even more cost-conscious brand teams to efficiently identify and engage with the inner circle of nonresponsive customers, via touch points with their closest influential peers. Leveraging these networks may help companies realize increases in sales numbers up to 40% over national averages. Further, by helping brand teams identify the connectivity between primary care and specialty physicians, these emerging social-networking models will help marketers better allocate their shrinking resources.

3. The move toward "shared-decision modeling." As traditional physician treatment decisions are placed more in the hands of payers and patients, influence-mapping technologies are evolving to help sales and marketing managers better understand the implications for this "shared-decision model" to the delivery of care: physicians will continue to drive the treatments for life-threatening diseases like cancer; payers will increasingly make the early decisions for chronic-care conditions, particularly those where newer, more expensive prescription therapies are not perceived as a significant advance over existing products; patient preference will account for the sales of more discretionary products, like cosmetic treatments or the so-called lifestyle drugs for aging boomers.

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1. Physicians' migration to hospital settings, many of which prohibit meetings with sales reps, is changing the landscape.

2. Expiring patents and generic competition will challenge return on sales investments.

3. Regulatory interpretations will define the interactions of sales reps with HCPs and directly impact the value they deliver. Often, sales reps are the brand in HCPs' eyes, and also a sign that manufacturers continue to stand by their products, so sales rep longevity and retention are key.

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1. Size follows two trends: growth in sales forecasts and target audiences. Where we see growing brands or expansions in target audience size, we'll see larger salesforces. Launches contain both — a forecast change from \$0 to something bigger, and a large target audience that needs to hear the message. Where we see launches, we will see growing salesforces.

2. Strategies have evolved from pure reach and frequency, which created large salesforces with low access, to more customer-centric approaches. The industry will struggle to implement these strategies because in many cases companies don't have the necessary insights to build knowledge of the customer's real-world environment. Most reps today have never rounded with a physician, or listened as patients present symptoms or wrestled with affordability issues. Companies trying to implement new customer-centric sales strategies will need to reconnect their people with the real-world challenges doctors and patients face, so they can approach sales discussions with the credibility and empathy required for physicians to believe them. Because the regulatory environment precludes direct physician-patient observation, research such as physician-patient ethnography will play a role in providing the insights reps need to execute customer-centric sales models.

3. Success will be based on helping customers find superior solutions for their problems. We all recognize that in the current economy, the appetite for ever-increasing healthcare expenditures is gone. Premium-priced, me-too products cannot command market share where less expensive alternatives exist. Sales strategies will succeed where companies develop data showing exactly where their brands offer superior value, and where promotion touts that positioning.



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- 1.** The transformation of sales rep to concierge.
- 2.** Compliance enforcement and regulations.
- 3.** Doctors embracing alternative marketing channels to keep up with industry information.



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1. Physicians affinity for technology has made it possible to effectively reach the physician through digital outreach. However, the personal relationships reps have with their physician targets are key to success, and making live reps part of the nonpersonal activity, using a multichannel marketing mix to its full advantage, gives reps great flexibility in delivering value to the physician, directing information flow where and when the physician wants it.

2. The complexity of managed care has reduced target populations significantly. Physicians who may have been considered prospects based on their specialty, may not be able to prescribe a company's brand. Therefore, using analytics to better understand the targets early in the process, whether they are influencers or writers, will lead to a greater payoff of the sales investment.

3. As companies strive to become more efficient and work to develop products that will provide a future pipeline, they are finding that outsourcing both personal and nonpersonal sales efforts reduces their financial risk and provides the flexibility they need to respond to market forces. Some companies will look to outsource mature or smaller brands within their portfolio; some will cover brands and/or territories by outsourced telesales; some will leverage the technology of digital providers to create interactive content, video chats, and other digital promotion efforts.

accessed by physicians and patients from within workflow," he explains.

The sales rep of the future will be seen as a coach who is adaptable to many different types of customers, personalities, and situations, says Raoul Quintero, president, U.S. Sales and Service Organization, Maquet Medical Systems.

When it comes to training, he says his company has already begun to position its reps to become partners with their customers.

"Our reps are focusing on therapy selling rather than product selling," he says. "A sales rep's job is not to sell features and benefits of a product anymore. It is to focus on selling the clinical aspects of the therapy and product."

Because physicians have access to a wide variety of information, sales reps need to maximize the value of each sales call to avoid being just another channel.

"Sales reps must be equipped with the right tools for call planning, execution, and follow up," says Paul Shawah, VP of multichannel strategy, Veeva Systems. "For call planning, reps need an easy way to see all relevant interactions with that customer across all channels. This will enable a more informed discussion and allows the rep to deliver the next best message.

"With regard to execution, the sales rep must use technology appropriately to meet that call's objective," Mr. Shawah adds. "This could include asking probing questions, showing interactive content, or engaging a home office specialist via a live video call."

Melonie Warfel, director, life sciences industry solutions, Pegasystems, concurs that being prepared and focused on the related topic, demonstrating their ability to address

information, and educating the physicians quickly are the tools that reps will need in the future.

Ms. Warfel says sales reps will continue to play an educational role regarding new products, efficacy, labeling, reimbursements, etc., but their mode of interaction will change.

"Previously, this was primarily accomplished through in-person details, but as technology and access evolve, much of the in-person detail can be replaced by multichannel interactions," she says. "These interactions are remote, leveraging mobile technology, social media, and have the ability to deliver an engaging experience through various multimedia." **PV**



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