

→ The End of the **ARMS RACE**

After more than a decade of crowding physicians' offices with as many sales reps who would fit, the pendulum has swung dramatically in the other direction. The industry's field ranks have been reduced dramatically, and now sales reps are crowding unemployment offices.

Four or five years ago, sales reps numbered 100,000 or more. Today the numbers are equally staggering: more than 20,000 sales reps have been let go in the past two years.

In the "good old days," regulations were more lax and sales reps enjoyed direct access to physicians. Today, they are lucky if they can see the office manager.

"Sales teams face tremendous obstacles in getting an audience with their target doctors," says Frank Powers, president of Dudnyk, a healthcare communications agency. "As a result, the biggest change has been the way communications take place. It was common for reps to have frequent one-on-one opportunities with doctors, and all they needed was a good sales aid and one print ad. Now, such face time is practically nonexistent; technology reigns. Physician audiences are now being offered content through websites, webinars, e-detail aids, and these channels change on a daily basis. It is incumbent upon the marketer to create robust, nonpersonal, multichannel materials to reach their target audiences with brand messages."

Terrence Tormey, CEO and president of Prevention Pharmaceuticals, which is pursuing nutraceutical product opportunities, says it's a positive trend that the 'great sales pod solution to everything' idea is over.

"This miserable experiment almost doomed the industry," says Mr. Tormey, who also has experience in the contact sales arena as president/chief operating officer of a major CSO. "Primary-care physicians, in particular, grew



BACK TO THE FUTURE ▶



NOT JUST A HIRED GUN

TERRENCE TORMEY

CEO and President, Prevention Pharmaceuticals

» **THEN (2001):**

The trend favors CSOs that offer a wide variety of services. The industry is beyond "here's how many heads we can put out there in certain times."

» **NOW:** Pharma companies will also be expected to rely upon the CSOs to provide a variety of services, beyond the simple feet-on-the-street model. CSOs will be expected to offer numerous ways to reach and influence healthcare providers and not just the physicians.

weary of two, three, or more representatives carrying the same business cards inundating their offices, detailing them on the same products. This, coupled with extraordinary pressures placed on the physicians for their time by those responsible for reimbursement, meant that the once-upon-a-time warm relationships that physicians enjoyed with their pharma reps were strained to the breaking point."

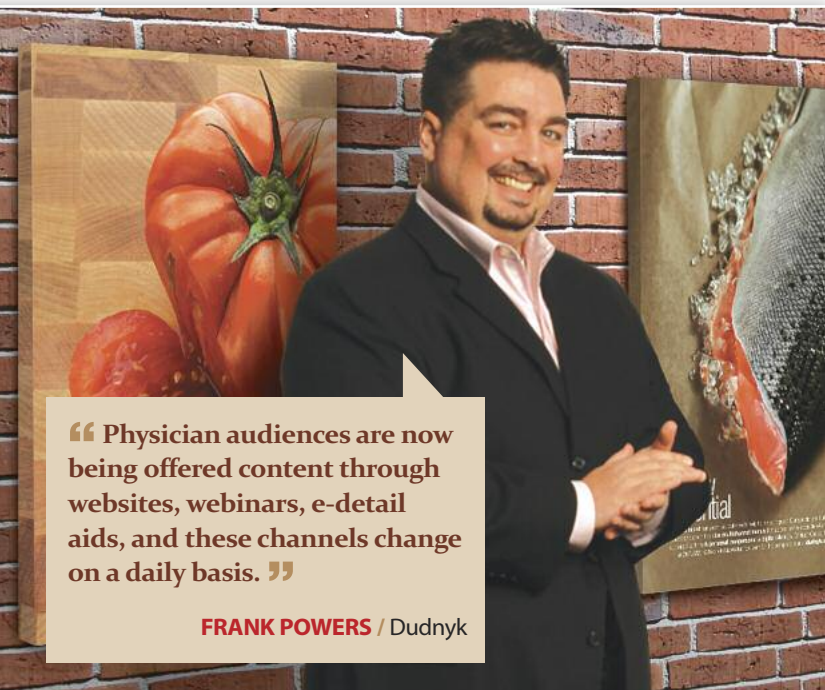
Giant sales forces put behind new drugs



“ The personnel and dollars related to sales force activities have been reallocated, often in the direction of communicating the science to decision makers. ”

BOB NORRIS / Complete Healthcare Communications

have proven to be less than effective, says Bob Norris, president and CEO of Complete Healthcare Communications, a communications agency that specializes in publication planning.



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FRANK POWERS / Dudnyk


“The personnel and dollars related to these activities have been reallocated, often in the direction of communicating the science to decision makers,” he says. “Letting the data speak for itself is a trend that will come to dominate the pharmaceutical industry in the years to come. By reducing promotional emphasis in communications, while increasing science-based communications, the current atmosphere of legislative scrutiny and regulatory pressure should lessen. The peer-reviewed publication of scientific discovery can allow clinicians to make scientifically based treatment decisions.”


Mr. Tormey’s belief is that pharma reps will survive, but they will have much more impressive academic credentials and clinical experience.

“The more sophisticated representative of the future will most certainly have to be a pharmacist, a physician, an RN, or someone else with healthcare experience in his or her background,” he says. “These ‘near-peers’ will be viewed as valuable allies in the treatment of disease. One drug company/one representative who will be responsible for a very large line of products. Additionally, representatives will not be incentivized as they once were, measured only by the number of prescriptions written in the territory for a specific brand.

“These 21st century pharma representatives will be armed with the latest of technologies — iPads, cloud computing, etc. — and will supported by a cornucopia of ancillary tools, such as telesales, online videos, company-sponsored blogs, etc.,” Mr. Tormey continues.

Pharma companies have always demonstrated a tendency to be risk-adverse, especially when it comes to adding more “heads” in this era of downsizing field sales teams, Mr. Tormey says CSOs should thrive.

“I expect pharma companies to experiment with several different iterations of what was described above,” he explains. “It is better to do this under contract than for companies to incur the expenses associated with hiring, training, and supporting their own employees, as they test what the rep of the future means to them.” 




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