SPECIAL FEATURE VIEW ON SALES



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Evolution in ACTION

As markets and medicine evolve, **pharmaceutical sales models and deployment strategies must keep up,** for the sake of survival.

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models with scientifically/clinically trained reps exceeded their sales goals.

s technology and medicine have advanced over the last two decades, the strategies adopted by pharmaceutical sales and commercial models have fallen out of synch. Companies regressed from customer-focused, consultative models to a more quantitative reach and frequency approach, with a strong reliance on pitches, gifts, and free samples. This model digressed from quality of information exchanged and ushered in an era of the "UPS representative" that led to a steady decline in the value of the increasingly elusive customer interaction time.

After implementation and enforcement of strict guidelines and regulations, pharmaceutical companies scrambled for solutions, such as webbased promotions. Although promising, these types of solutions typically lack the personal, face-to-face interactions crucial to the industry.

In order to examine the current situation and discuss viable options, we surveyed over 90 pharmaceutical companies and asked them to self-assess their sales force and performance. Two factors stood out as having the greatest impact on sales performance:

- Having a scientifically/clinically trained field force.
- Deployment strategies that center on customer-focused consultative models vs. reach and frequency models (consultative vs. sales reps, respectively).

Scientific/Clinical Background and Performance Status

In the first analysis we compared how a scientifically/clinically trained field force impacts sales performance and found a very strong correlation.

- More than one-third of all companies reported that the majority of their sales force does not have a scientific/clinical background. Of these companies, 32% reported that their field force is not meeting sales goals. Simply put 3 out of 10 companies with reps that are not scientifically trained will fall short of their sales goals.
- Conversely, companies where the vast majority (80-100%) of reps have scientific/clinical backgrounds are 30% likely to exceed their sales goals.

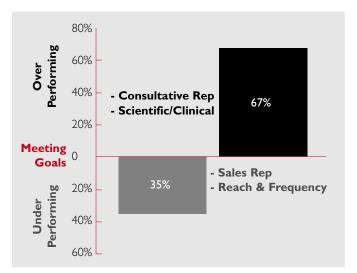
Deployment Strategy and Performance Status

A second analysis examined the importance of overall deployment strategies where we compared how quantitative models that emphasize reach and frequency (sales reps) versus qualitative models based on customer-focused interactions (consultative reps) impact sales performance.

- Two-thirds of all companies reported having a sales force consisting of sales reps. Of these companies 33% reported that they are not meeting (under performing) their sales goals.
- Of the companies that reported having consultative reps, 32% reported exceeding (over performing) their sales goals.

Combining Strategies

Further analysis showed that while individually important, a synergistic affect is seen when combining scientifically/clinically trained reps with consultative models.



67% of companies that strategically deployed consultative models with scientifically/clinically trained reps exceeded their sales goals.

Companies that continued using the reach and frequency approach without scientifically/clinically trained reps were 35% more likely to under perform.

Conclusion

As our understanding of cellular biology and patho-physiology advances, emerging therapies are aimed at more specific cellular targets. Effective interactions with physicians must keep pace with this and it is imperative that the field force is armed with the necessary information. This would facilitate a re-emergence of customer-focused models and transform your sales force into consultative reps that are able to discuss the complex intricacies of advanced therapeutics with healthcare professionals.

While scientific/clinical training is critical, it must be combined with proper deployment strategies using consultative reps that recognize how to adapt and effectively use information during interactions with their customers.

In order to survive in the market environment of tomorrow, the approaches discussed in this paper must be implemented today. \blacksquare

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