

# Sales Training for **MANAGED MARKETS**

**WHILE SALES REPRESENTATIVES CAN USE MORE COACHING TO BE EFFECTIVE IN MANAGED MARKETS, ACCOUNT MANAGERS ALSO NEED SPECIALIZED KNOWLEDGE TO PROVIDE THE BEST GUIDANCE TO WORK WITH PAYERS.**

Today's pharmaceutical environment is dominated by managed markets. And sales training programs have to evolve to address the special needs of these special markets.

While sales representatives have a strong knowledge of the clinical aspects of their products, they may have a harder time being able to address the economics of managed markets.

"Oftentimes, the business and the economic side of the equation is not fleshed out and reps are not able to articulate these concepts to the customer," says Bryan Horveath, senior VP and managing director of the professional development group at inVentiv Health.

"Typically, sales representatives have been very well trained on product knowledge," agrees Suzanne Burrell, VP of Total Learning Concepts. "But there is minimal time teaching them about the general market environment in which they sell. This means they must understand key managed care and business issues confronting physicians in their sales territories, such as any prescribing restrictions or cost-control measures that affect their products (e.g., prior authorization, higher copays, etc.), composition of payer mix, and similar information about their competitor's products."

Some experts say the primary care salesforce remains fairly disconnected from managed-care strategies.

"Most pharmaceutical companies are organized in silos and getting different groups to talk to one another and agree to effectively execute a common strategy has been a challenge," says Prashant Kohli, VP of sales and marketing at Archi-Tech Systems.

Mr. Kohli says once a managed-market strategy is in place, it's important for managers to get that information in front of the sales rep.

"If a company's drug is not part of a formulary, then no matter how many times a rep goes and drops a sample, there will not be any uptake on the product because the payer arrangement is not in place for that specific drug," he says. "From a data perspective, simple things, such as the activity plan for the prescriber, are going to be critical."



**Bryan Horveath**  
**INVENTIV HEALTH**

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**Susan Burrell**  
**TOTAL LEARNING CONCEPTS**

*Companies need to spend more time educating their sales representatives on how to effectively promote their products in managed care environments.*



**Peter Demogenes**  
**WOLTERS KLUWER HEALTH**

*The best training that managed care account managers can have is to spend as much time as possible with the actual payers.*



**Prashant Kohli**  
**ARCHI-TECH SYSTEMS**

*Once a managed-market strategy is in place, it's important for the pharmaceutical companies to get this information to their reps so they can apply the tactics to their payer markets.*

## **PRIMARY CARE REPS**

Industry experts say sales reps need to understand product pricing, formulary status, and any prescription restrictions, such as prior authorizations, before they talk to physicians.

"To provide value-added insights to managed-markets customers, which is essential to reps' success, they need to understand the environment at the national level," says Dan Blue, executive director of The Pharmaceutical Institute. "Reps need a detailed understanding of their particular products, clinical and pharmacoeconomic positioning compared with competitor products, current prices, the future competitive environment, and key stakeholders influencing the prescribing decisions. It is equally important that reps have a comprehensive understanding of the environment at the local level. One question to address, for example, is how are the data going to impact the physicians they are speaking with."

Don De Golyer, senior VP, U.S. managed-markets at Novartis, agrees that it's critical for sales reps to understand the customer and the various roles and responsibilities within each customer group.

"They need to understand how the customer makes money," he says. "They need to understand how the market and the various stakeholders within a given market have evolved over the past

10 years. That's the knowledge that most people are missing."

## **ACCOUNT MANAGERS**

Mr. Horveath says often even the most seasoned and skilled account managers have not had formally structured training that addresses managed-market selling.

"These markets involve a more complex sell," he says. "We're training representatives to work with the financial folks to develop a strategic planning focus for their selling programs."

In addition to providing managed care training for sales representatives, Ms. Burrell says her company is getting requests from biopharma companies asking for help fine-tuning the training programs they already have in place for their managed-market account managers.

"In the past, this type of training has taken a home-grown approach, so this points to an increased focus on account manager training," she says.

At Novartis, training for the company's key account managers, as the company calls them, includes a multi-year curriculum with interactive workshops with the company's customers.

"We actively listen to our customers and we want to develop more than cookie-cutter approaches to a given customer's issue," Mr. De Golyer says.

"We understand what their issues are and we're able to customize solutions with their input."

He says the interactive workshops help to build content for a lot of training programs, as well as serving as a guide for evaluating the impact of the training.

"Customer satisfaction is the first yardstick we use," Mr. De Golyer says. "Employee satisfaction and the feedback we receive from our associates is another way we measure the effectiveness of the training programs. We also use standard metrics, such as formulary access, profitability, market share; ultimately we look at how many patients we were able to help with our products and programs within key accounts."

In its training programs, Novartis has used Webcasting, Podcasts, and video.

"There is no replacement for face-to-face interpersonal connections, but there is certainly a role for these technologies to complement these interactions," Mr. De Golyer says.

### BEST PRACTICES

Peter Demogenes, senior director of product management and development at Wolters Kluwer Health, says the best training for a managed care account manager is to spend as much time as possible with the actual payer.

"There needs to be more hands-on training for account managers compared with what is required for traditional pharma reps who are more focused on a targeted message for a specific brand for a specific physician base."

For primary-care representatives, Mr. Kohli says there needs to be more emphasis on refresher courses related to managed markets. He also sug-

### TRAINING SALES REPRESENTATIVES IN MANAGED MARKETS: BEST PRACTICES

- Sales representatives need to understand the factors that increase healthcare costs such as: advances in medical technology; provider reimbursement methods; inflation; defensive medicine; inefficiency and waste; provider surplus; the impact of uninsured patients; and growth of the aging population.
- They have to understand that health plans have cost-reduction strategies for pharmaceuticals such as: benefit design alterations that include dollar limits and other caps; tiered copays; mail order and/or online prescription services; prior authorization; dispensing limitations; incentives to use generic drugs; new-to-market drug monitoring programs; and physician profiling.
- Sales representatives should appreciate that P&T committees select products for their formularies based on efficacy, safety, convenience (dosing/administration), and cost. These committees are comprised of practicing physicians, physicians employed by the health plan, pharmacists, and plan administrators.
- They should be familiar with who sits on the various P&T committees for plans in their areas and be prepared to share information with those committee members.
- Representatives should know the formulary status of their products (and their competitors) for the major insurance plans that impact their territory.
- They should have a list of the top health plans accepted by each physician. This list should be routinely updated with the representative checking in with the staff to capture any changes.
- Sales representatives should always sell the clinical benefits of their product first. Once the doctor sees the product's benefits, he or she will be more likely to assure that the product is covered by managed care.

Source: Suzanne Burrell, Total Learning Concepts, Lawrenceville, N.J. For more information, visit [tlconline.com](http://tlconline.com).

gests bringing the salesforce together annually for a companywide meeting, with part of the agenda focused on the managed care strategy, goals, and objectives, and what data or information will be available to the field to help support their efforts.

"The real meat of any program should be focused on application training," Mr. Blue says. "Companies should put their reps and account managers through role-playing exercises that mimic real-life scenarios as best as possible. The

majority of face-to-face training should be reserved for these types of exercises."

Mr. Blue also says companies need to provide job coaching or customized workshops to allow representatives the ability to refine and hone their skills, as well as mentorships. ♦

PharmaVOICE welcomes comments about this article. E-mail us at [feedback@pharmavoice.com](mailto:feedback@pharmavoice.com).

## Experts on this topic

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