

SALESFORCES

The **Salesforce** of the **Future**

**IN THE FUTURE, THE SALESFORCE ARMY
OF TODAY WILL BE BUT A DISTANT
MEMORY** as a new sales model emerges

that uses sophisticated selling techniques, technologies, and education to support the rep's interaction with physicians and other healthcare providers in the continuum.

Changes in the marketplace will gradually render the traditional model for selling medicines defunct. According to experts at PricewaterhouseCoopers, pharmaceutical companies will replace their large sales teams with key account managers and specialist advisors capable of managing the exchange process. There will be fewer sales people in markets that are currently saturated with sales staff, such as the United States, although growing demand will increase the need for key account managers and specialists in developing economies.

"Traditional sales models are built around targeting high-potential doctors and delivering high volumes of the same product message to them through high-frequency call plans, mirror salesforces, and comarketing partners," says Elaine Riddell, CEO of TNS Healthcare. "Clearly, declining rates of physician access and rep productivity prove this model is no longer working. New models shift the focus to building strong, long-term relationships with doctors. Core to this approach is understanding and creating the right mix of sales and service experiences to meet a physician's needs."

A STRATEGY SHIFT

Across the board, experts acknowledge that the current salesforce model is in need of an overhaul.

With more than 100,000 pharmaceutical sales reps competing for face time with physicians every day, and physicians limiting the amount of time they engage with reps, pharmaceutical companies are realizing that they need to move away from a "red army" mentality, according to Paul LeVine, VP of analytic services at InfoMedics.

"Rather than relying on the law of large numbers, the new salesforce strategy will be about efficiency," Mr. LeVine contends. "This will include a greater use of technology and alternate methods of getting the detail message out. Patient-education programs will be tied more closely to the sales and marketing process, and there will be a greater reliance on feedback from a physician's own patients to demonstrate efficacy of a particular drug. I also believe there will be a larger focus on specialists, rather than primary-care physicians."



LINDA PALCZUK
AstraZeneca

THE CORE SKILLS AND CHARACTERISTICS OF TODAY WILL REMAIN IMPORTANT — product and disease state knowledge, relationship building, and perseverance.

The need for specialization appears to be the consensus among experts when discussing how salesforces need to be organized for future success.

Rick Keefer, chief operating officer of Publicis Selling Solutions Group, says specialization will occur within the ranks of the representatives as a way to address the increasing diversity of customers.

“It’s no longer just about office-based physicians,” he says. “We need to communicate with, and educate, all of our key customers, from the traditional office- and hospital-based physicians and expand communication to other influencers — physician extenders, such as nurse practitioners and physician assistants, retail clinic physicians, managed markets, as well as patients.”

Ed Stapor, partner, co-CEO North America, Euro RSCG Life, says because each physician specialty group has its own language — much like a fraternity — marketers will need to better understand their touch points, and provide integrated communications platforms to speak with them on their own terms.

“Neurologists speak a different language from cardiologists,” he says. “Dermatologists

Experts

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ED STAPOR
EuroRSCG Life

SALES REPS WILL HAVE TO DEVELOP A MORE CONSULTATIVE APPROACH AND A GREATER SPECIALIZATION IN SPECIFIC THERAPEUTIC AREAS.

It's not going to be all about the product sell, but more about providing education and resources, a deeper understanding of the science, the data, and how these relate to improving patient care.

have different needs from retinologists. Sales reps need to know what their day-to-day routines are and what are the biggest problems facing their specialties."

Mr. Stapor also believes there will be continued downsizing within the primary-care market and a greater focus on specialty markets.

"This will lead to an approach that is a lot less old school and more about transparency and disclosure," he says. "The irony is that the emergent model — in which reps are constantly changing jobs — will be less about relationship building and become more impersonal."

Matt Wallach, VP, sales and marketing, at Verticals onDemand Inc., believes the future will be about integration across multiple sales teams.

"The pharma industry has long implemented integrated strategies across multiple primary care and specialty-care sales teams," he says. "However, the integration stopped before it included scientific liaisons and managed markets. This shift will happen as pharma companies realize that this is where the competitive advantage will be in the future."

Ms. Riddell says one of the biggest strategy shifts will be the change to a new physician-centric service model. She reports that according to TNS research, the vast majority



KATHY MAGNUSON
Brand Pharm

THE BIGGEST STRATEGY SHIFT WILL BE TO REDUCE THE OVERALL NUMBER OF SALES REPRESENTATIVES PER COMPANY WHILE,

at the same time, increase their emphasis on key products so they will be perceived as better experts about individual brands and provide more of a full service to physicians.

of companies recognize the need to make this shift. More than 90% of companies in the United States and more than 80% in Europe indicate that they are already either thinking about or starting to implement a service model strategy.

"Traditionally, pharma companies have taken an inside-out approach to sales management, focused on assessing internal sales processes," Ms. Riddell says. "With the new service model, companies will move to an outside-in model, centered on identifying and meeting the needs of their physician customers. In other words, they will expand their focus beyond just measuring internal sales processes to motivating external sales drivers — the needs of the individual physicians who write prescriptions."

Bill Pollock, president and CEO of Pharmagistics, says in the future companies will need to be much more physician-centric, capturing and reporting all activities surrounding a physician, whether through "feet on the street" or alternative touch points. These companies also will need to know how best to reach each individual physician, since each one has a different style, and each prefers to get information in his or her own way. Some like to see reps, some prefer to get information mailed directly to them, while others like to use a Web portal to get information or samples.

"We need to communicate with physicians where and how they prefer to be reached through preference-based selling," Mr. Keefer says. "While no-see or difficult-to-see physicians may not want to interrupt their day to spend time with a sales representative, they nevertheless want and need information. For this reason, they may prefer to speak with an inside sales representative via phone or a virtual representative via a Website at home in the evening."

The mix of services that doctors consider important has increased beyond rep visits, Ms. Riddell says.

"For example, more than 60% of doctors now put a high value on physician education," she says. "In addition, more than half consider

patient management, education, and support services critical in shaping their relationship with a pharma company."

Mr. Keefer agrees that sales efforts have started to expand beyond just initiation of therapy to maintenance through patient compliance efforts.

"For example, there is growing interest in clinical health educators, whose primary focus is to work with patients and healthcare professionals on adherence and retention issues," he says.

Ms. Riddell stresses that to succeed in today's competitive marketplace, companies must do more than provide quality rep visits. They also must develop and deliver the specific services a doctor wants and values most. This focus on meeting a doctor's priorities will enable them to build the long-term bond with the physicians that will maximize product share over time.

"To fulfill physician preferences, companies must understand that these can vary greatly across segments," she says. "For instance, while just 30% of doctors say they value corporate reputation in their relationship with companies, those who do select it give it extremely high importance. In fact, almost 60% of those choosing corporate reputation as a key value consider it the most important attribute in determining their relationship with a pharma company."

Clearly, this is a strong example of doctors forming a unique segment with a specific set of requirements.

"Companies need innovative segmentation tools to help them identify shared needs of key physicians — and deliver value to specific groups with common sets of expectations and preferences," Ms. Riddell says.

Jeff Bagshaw, senior VP, sales, at Inclinix Inc., says the need to demonstrate product demand and the ability to drive demand for those products remain the key components of salesforce effectiveness.

"The major strategy shift that will take place over the next several years has already begun,"



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JEFF BAGSHAW

Inclinux Inc.

TECHNOLOGY WILL GIVE PHARMACEUTICAL COMPANIES AND REPRESENTATIVES THE ABILITY TO DELIVER DYNAMIC BRAND MESSAGING AND EDUCATIONAL CONTENT TO PHYSICIANS ANYWHERE AND AT ANYTIME.

The key will be to capture these interactions and exchanges of information in a way that can be used intelligently in the future to shape and impact future sales discussions.

he says. “Companies are looking for ways to re-establish their sales representatives’ value proposition in the eyes of physicians and key decision makers. Delivering rich content not only to the physician and his staff but also providing patient-education solutions that empower patients and improve adherence to prescribed therapies are the end goals. The sales rep will always be the most effective resource to drive product demand and adoption, but reps need to be supported with unique tools that enable them to establish and maintain a partnership with each of their targeted physicians. Additionally, pharmaceutical companies will pay more attention to policymakers and payers to gain a favorable managed-care position within the marketplace as government-based reimbursement programs continue to grow.”

According to Linda Palczuk, VP of sales at AstraZeneca, US, the salesforce of the future will resemble today’s workforce — with the benefit of technological advancements.

“The core skills and characteristics of today will remain important — product and disease state knowledge, relationship building, and perseverance,” she says. “In our business, there will also continue to be increased emphasis on ethics and adaptability.”

A MODEL FOR THE FUTURE

According to Ms. Riddell, under a new service physician-centric model, sales reps will need to transition from delivering messages to coordinating value — providing their physicians with a range of value-add service options, from practice management support to doctor-education and patient-education programs.

“Reps must understand the entire range of services their companies can provide — and configure the right offerings for their target doctors,” she adds. “Reps must be refocused from just selling products to building relationships and providing differentiated value.”

Mr. Pollock believes that the salesforce of the future will be more integrated within the sales/marketing mix than it is today.

“Technology is allowing for the integration of multiple touch points for the physician

and/or practitioner, making pharmaceutical companies true prescriber-facing organizations,” he says. “There are many different ways to touch a prescriber and get a selling message across. The use of technology — and the ability to capture the different touch points and their impact — are becoming critically important. Being able to access data about the effectiveness of its communications vehicles — whether via a sales rep, a direct-to-physician sample or direct-mail piece, an e-portal or, a dinner meeting — will allow companies to be more effective and efficient.”

This means that the salesforce of the future will go far beyond the traditional sales rep who walks into the doctor’s office with samples, details, and lunch.

“In the future, salesforces will be much more focused, and they will have the ability to look at each touch point, determine what’s the most effective way of communicating with a practitioner, and do so in a personalized way,” Mr. Pollock says. “As a result, marketers will have to integrate their sales and marketing efforts into everything they do, treating each and every touch point as part of their total sales and marketing mix. This includes their e-portals, inside telesales efforts, Internet-based virtual sales reps, literature, and direct-mail programs — all of these tactics will be considered a part of the entire salesforce effort and must be integrated via the entire marketing program.”

Such a trend would mean that pharma companies will need the ability to track everything that is done and monitor the impact of their efforts on their prescribing customers.

“The end result is greater complexity, increased sophistication, and more information, so that the sales and marketing mix of the future becomes the entire company’s way

of touching the prescriber, of which personal selling is just one part,” Mr. Pollock says.

Mr. Bagshaw agrees that technology will play a huge part in the future of pharmaceutical salesforces.

“There will be a technology-enabled force that is linked to and supported by a direct-to-physician multimedia on-demand approach toward product sales and marketing,” he says. “This approach will be designed to reach out to physicians using traceable media channels to various intersection points to deliver valuable product messaging. With the trend pointing toward smaller salesforces, companies will have to make sure that the physician has immediate easy access to rich solution-based clinical product information. Physicians’ activities and inquiries will be linked to the reps in the field for further follow up, and direct-marketing efforts will be personalized and customized based on the specific physician’s needs and personal data profile. Representatives supported by intelligent sales and marketing platforms will be able to react to immediate requests and deliver more targeted product information while growing their value and sales relationships.”

Kathy Magnuson, executive VP, managing director, Brand Pharm, agrees there will be greater emphasis on electronic delivery of messages with a large share of information delivered to interact with the physicians during their free time. Representatives will be more than just sales people; they will become conduits and resources of in-depth information.

According to Mark Gleason, senior VP, corporate development, at Aptilon Holdings, not only will salesforces be smaller, they will be better trained and better resourced.

“Plus they will be complemented with



MATT WALLACH

Verticals onDemand

THE SALES REP OF THE FUTURE WILL NEED TO BE TECH SAVVY.

To cover a territory that is many times the size of today's, reps of the future will need to use the Internet as their greatest sales aid.

issues such as adherence, compliance, administration, adverse events, etc. The key is that each representative within a blended salesforce has a distinct role and the SFA/CRM systems are linked so that each team member is in the loop with what is happening with a given customer."

In the near future, successful pharmaceutical marketing will depend on launching integrated, coordinated sales and marketing efforts. According to Jim Knipper, founder and CEO of J. Knipper and Company Inc., this means using intelligent tools to deliver information and services to physicians exactly when they need it.

"Pharma companies will need to use feet on the street in combination with intelligent and electronic tools," he says.

Mr. Stapor says the pharmaceutical industry itself is becoming more specialized in the products it produces, and technological advances are creating salesforces that are becoming more resourceful in leveraging data. The future will hold a lot of presentation-type forums in which technology will be key to communicating complex ideas in understandable formats.

GETTING THE JOB DONE: HONING THE SALESFORCE'S SKILLS

To transition their salesforce to a customer-centric organization and give their reps the skills to succeed in a service model environment, Ms. Riddell says companies must follow three steps.

The first thing companies must do is add relationship metrics, such as commitment, to the tools they use to evaluate reps.

"These metrics must be monitored to ensure ongoing improvements and they need to be pushed down to the regional, district, and territory levels where reps and their managers can act on them," she says. "With companies pressed to increase productivity, it is critical for reps to be trained on how to drive commitment — the emotional connection between doctors and brands. Commitment generates higher patient share, with committed physicians delivering more than double the share of their uncommitted colleagues. In addition, this approach inoculates physicians against switching. In fact, even after a year, committed doctors are up to five times less likely to defect to another brand than other physicians."

According to Ms. Riddell, step two involves training reps and their managers to deliver optimal physician experiences to drive commitment.

"Physicians define their relationship with a company in terms of the full spectrum of experiences that company provides, including everything from rep interactions to educational services to Internet offerings to patient management support," she says. "Successful reps will understand and deliver the unique experience preferences of each physician."

Finally, she says companies must create a high-performance culture by continually tracking, measuring, and reporting on key performance metrics. They must incorporate soft relationship and experience metrics alongside traditional hard sales and prescribing volume measures at every level of the sales organization.

Mr. LeVine adds that at their core, sales reps will need to be better educators.

"This means they will need to expand their expertise beyond their product's key attributes to help physicians understand how a particular drug can fit into more comprehensive treatment approaches, which include patient services, support, and education," he says. "Tomorrow's sales reps will need to understand the sometimes subtle differences between selling to physicians and working with them as partners to help patients achieve better treatment outcomes."

This value-driven, consultative approach will require ongoing clinical training for sales representatives.

"As an industry, we need to provide more value to physicians; we can only do that with highly trained and skilled professional representatives," Mr. Keefer says.

Mr. Bagshaw says the challenge today, and in the future, is engaging physicians in a meaningful product and therapeutic disease state discussion while working in an environment that is challenged with time constraints.

"This challenge has been compounded over the past several years by the devaluation of the sales rep, which is a result of increased focus on the number of calls per day versus the quality of the call," he says. "I am a firm believer in the relationship between message frequency and increased market share, but there needs to be a balance between quality discussions and call-level activity. Opportunities exist today for knowledgeable, passionate sales people who are technology-enabled and computer literate with the ability to differentiate themselves in the marketplace. It's not enough for a rep to be able to present a canned product detail; they must be able to identify the physicians' needs,

alternative channel support available well beyond traditional office hours, including nights and weekends," he adds. "We've learned that physicians are spending more than nine hours a week online, and pharma marketers need to capitalize on this online activity as a high-service, quality-education channel to better meet physician needs. Whichever channel physicians choose, quality education and concierge-like service levels can make sure every physician knows how to use drugs properly, provide samples, and so on to better treat each patient."

David Harrell, president and CEO of OptimizerRx Corp., adds that smaller, more efficiently managed forces will be able to provide unique expertise to physicians, medical staff, and patients.

"They will have a better understanding of the payer system so that they can provide correct and helpful information on how patients can best access their medicines and at what cost," he adds.

Mr. Keefer says the salesforce of the future will take a more blended approach.

"In the past, it was common to see pod or mirrored salesforces, where several of the same types of sales representatives called on the same physicians," he says. "Blended sales teams, in contrast, use different types of representatives to call on a client's various customers. For example, a physician office might be called on by both a clinical sales representative and a customer service representative who have totally different roles. The customer service representative would service the office with samples and patient support materials, but not sell the product. The clinical sales representative, in contrast, would educate the prescriber and staff. The same brand may also augment the salesforce with inside sales representatives or virtual representatives, who reach healthcare professionals by phone and the Internet. This type of inside sales augmentation can help optimize share of voice without significant increases to the field salesforce. The brand also may have clinical health educators who work with patients to support the physicians' efforts on



JIM KNIPPER

J. Knipper and Company

SMART SALES REPS WILL NEED TO DO MORE THAN PITCH THE COMPANY'S PRODUCT MESSAGE.

They'll need to be ready and able to marshal just-in-time information and resources for the physician and the office staff.

goals and challenges, and connect their product as a preferred solution. In the end, they need to earn the business, and close on the business."

Mr. Gleason agrees that science education and service-orientation will be key.

"No longer will physicians accept pushy reps who merely took a science class in college," he says. "Primary care physicians particularly need more advice on evidence-based medicine for treating patients as well as help improving practice efficiency. They face growing challenges making a living as a primary care physician with reduced reimbursements and administrative burdens. The rep of the future will be able to service the physician through multiple support channels providing a level of service we can't deliver today. Having a high-service mindset of a concierge can help physicians get

the exact education and services they need, unheard of in today's constrained model. Anytime, any channel, with the broadest array of support will build relationships with companies beyond what we're able to see in the traditional sales model."

ADDRESSING THE PHYSICIAN AUDIENCE: BEYOND FEET ON THE STREET

"Feet on the street does remain important," Ms. Riddell says. "In fact, according to our research, more than three-quarters of physicians say that a rep's personal and professional conduct, knowledge, and expertise are the most important factors shaping their relationship with pharma. A range of other services, however, are also increasingly valuable to physicians — particularly those that can help them support their customer: the patient. Our research shows that the majority of physicians put a high value on physician education programs and patient management, education, and support. In addition, close to half say that practice management support and brand experience are valuable to them."

Recent surveys show that fewer than half of the calls on primary care physicians result in a face-to-face exchange with the doctor. This implies that the other half of the sales calls made to these physicians are nothing more than sample or information drops.

"At a whopping \$300 for an average personal call, that's an expensive sample drop," Mr. Pollock says. "Many companies, however, are starting to get smarter. By mailing samples to the doctor, they can spend one-tenth the cost of a personal call and still get the samples to their destinations. The result of this changing landscape may very well be a reduction in the size of the salesforce. Pharmaceutical companies have several ways of reaching physicians that go beyond feet on the street. Alternative sampling methods, for example, offer other ways of reaching out. Rep-centric sampling allows a company to deliver products to physicians without having the rep deliver it personally, and the rep still controls the process. Some products are better shipped directly, rather than delivered personally to physicians because a sample may be a scheduled drug, temperature sensitive, or expensive. Alternatively, brand-centric sampling may involve telesales, samples, or literature sent out via direct mail. In addition, these channels allow marketers to detail physicians, gather information about them, enroll them in programs

and/or provide samples and literature fulfillment. They also help companies track physician activity to monitor how many hits an individual physician is getting, and how many are needed to convert him or her."

According to Mr. Gleason, increases in physicians' patient and administrative loads have left the rep as the odd person out.

"The declining access and diminished quality of rep-physician interactions suggest a crying need for other models, outside of drop-in calls during traditional office hours," he says. "Physicians have already extended the access channel by searching for medical information during nights and weekends. More pharma companies are using live video detailing interactions linked through high-traffic medical information sites. They are recognizing the value of adding reps not on the streets, but under a computer terminal and with phone in hand, delivering product and therapeutic information with live e-learning video tools and a range of other educational resources. These channels are generating eight- to 15-minute high-quality details."

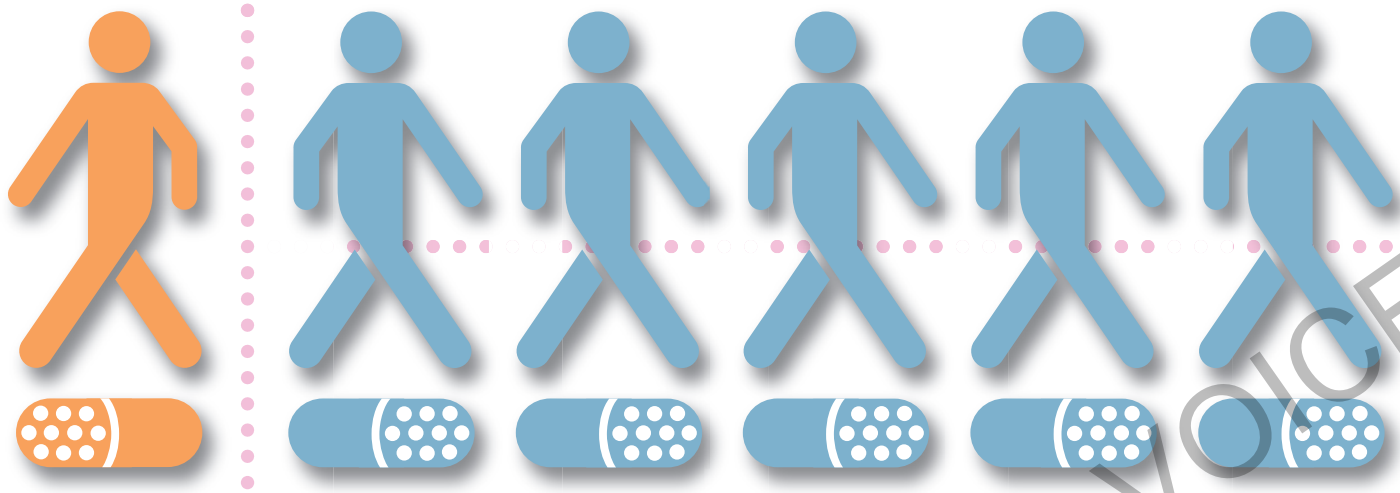
Mr. Knipper identifies a couple of factors that pharmaceutical manufacturers must take into consideration, drivers that affect the use of the sales field force. The first is accepting the possible disconnect between what physicians expect and methods currently used by sales reps to deliver their messages. The second is the inevitable push by investors and shareholders to improve value. These factors force manufacturers to weigh carefully return on investment issues, especially since a sales field force is usually the greatest marketing expense.

To address these gaps, Mr. Knipper recommends developing an industry database to address the individual needs and preferences of healthcare practitioners.

"Today's pharmaceutical marketers have a plethora of tools available to them, including live sampling, alternative sampling, sample agents, direct mail programs, electronic detailing, video detailing, new healthcare social computing engines, new healthcare search engines, and a variety of new technologies coming to the market," he says. "Each pharma marketing group faces the challenge of executing the best blend of tactics to address the individual needs of physicians."

As the younger generation of physicians, those who grew up with the Internet, become more important targets with larger patient bases, pharma companies will be able to rely more heavily on Web-based detailing and information dissemination, Mr. Wallach suggests.

"The idea of a single sales rep covering



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Having the service mindset of a concierge can help physicians get the exact education and services they need, unheard of in today's constrained model.



MARK GLEASON
Aptilon Holdings

5,000 target physicians effectively over the phone and the Web is not more than three years away," he predicts. "Think of how many Amazon.com customers are supported by a single customer service rep. The pharma industry needs to think in these terms."

According to Mr. Keefer, many companies already are starting to use salesforce augmentation tactics to support the efforts of their field salesforces.

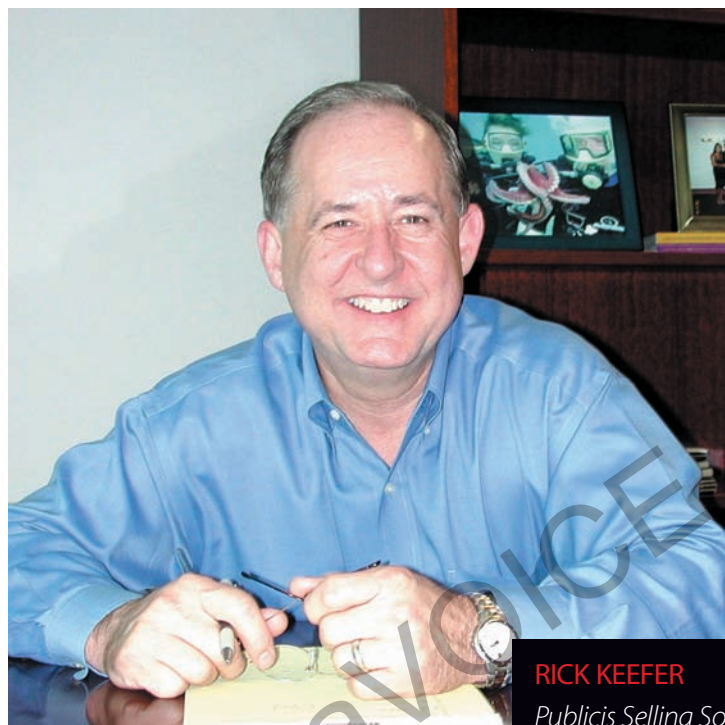
"For example, inside sales representatives, who communicate with prescribers by phone and the Internet, can strengthen the existing salesforce's efforts through several means," he says. "Inside sales representatives can deliver incremental sales messaging to increase share-of-voice for physicians already being called on by the field sales team. They can provide service through sample and literature fulfillment. And they can also provide deeper reach through sales messaging and sample fulfillment to physicians who are not currently being targeted because of insufficient resources or geographical constraints."

Ms. Magnuson suggests that targeted sales messages — delivered through self-identified channels — are another effective alternative to in-person sales calls.

"Company Websites will need to offer physicians information they can access readily and easily, with interfaces that are intuitive so they can customize their own learning rather than trying to force physicians to receive messages in only one way," she says. "The overall delivery of information to the different physician bases must become more open and fluid as we are learning from the way consumer products are delivering their messages to customers. This will allow physicians to receive the information they want at a time they are most receptive to receiving it."

The communication channel, Mr. LeVine says, needs to extend down to the patient level as well.

"Pharmaceutical companies can effectively address physicians by providing them with the



RICK KEEFER
Publicis Selling Solutions

THERE IS A SHIFT TO MORE SPECIALIZED REPRESENTATIVES

to address the increasing diversity of customers. It's no longer just about office-based physicians.

means to communicate more effectively with their patients," he says. "It's a reality that in today's U.S. healthcare system, an almost universal challenge faced by physicians is lack of time with patients. One study showed that 83% of family physicians in HMO settings felt they needed more time per patient visit. As physicians' patient loads get heavier, office visits become shorter, and vital information regarding treatment plans gets lost. This bad situation only gets worse, as lack of actionable information leads to lowered patient compliance, leading to poor treatment outcomes. There are, however, services available to physicians to help supplement their patient communications and assist them in improving patient compliance. These enable an alternative pharmaceutical model, one in which the first script is followed by targeted education and messaging flowing from physician to patient and then feedback/treatment responses flowing from patient to physician. For the physician and for the pharmaceutical industry this model has been shown to lead to additional scripts, written with informed confidence in the efficacy of the treatment plan. For the patient, the model has been demonstrably shown to lead to increased medication adherence, which in turn leads to improved treatment outcomes."

S. Kent Stephan, CEO of Princeton Brand Econometrics, says it is unlikely the drug industry will experience a significant shift in 2008 unless changes are forced by legal, regulatory, or legislative action.

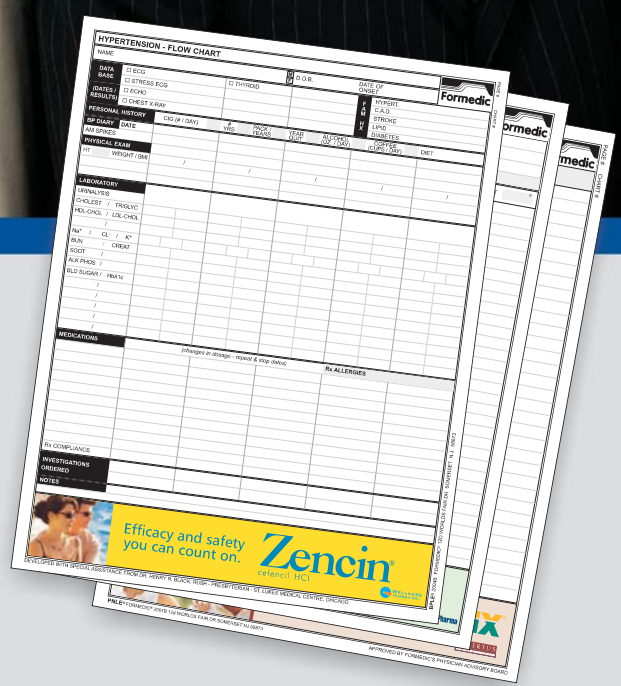
However, he does say, individual companies would be smart to make one change as soon as possible, and that change is prescribing data.

"It has been about 20 years since prescribing data became available to pharma companies for individual doctors by name," he says. "The availability of this valuable marketing outcomes data has never had the impact on the industry that it could have and, therefore, should have. These data are currently used to target sales calls, determine how many reps to have, and where to put them. In other words, it is at the core of how companies decide to use their most productive and expensive promotional resource: the salesforce. But the impact on sales has been far less noticeable than it could have been. The problem is that the data are crudely used. Simply put, a doctor's value is currently based on the number of scripts he or she wrote for the brand or category in the past."

Mr. Kent says, however, if a company wants to know how many reps to have, where to put them, and whom they should call on, it needs to know how individual doctors will respond to future detailing.

"Contrary to what many assume, raw prescribing data does a relatively poor job of predicting how doctors will respond to future detailing," he says. "On the other hand, the data and other information can be used to calculate quite accurately how many incremental scripts individuals will write in response to amounts of details in the future. By relying on

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2008. We believe consumers will need to become the biggest advocate for a branded product versus the rep for the brand's long-term growth and success.

a strategy and knowledge base that helps to amplify the voice of their product in the right places and institutions.”

WHAT'S IN STORE FOR FUTURE SERVICES

Mr. Wallach predicts that in two years, the majority of samples will be distributed from remote warehouses and not delivered by sales reps.

“This will cut down on validation and distribution costs, will force reps to create value in the physician's office, and will enable greater flexibility for patients as they will be able to receive samples or vouchers,” he says.

Mr. Harrell agrees, and because access to the physician will be further limited to the traditional large salesforces, therefore, access to samples, patient education, and other important resources will need to be increasingly accessed through other nontraditional channels, such as Internet sample vouchers, patient coupons, and online sources of physician education.

According to Mr. Gleason, there will be a continued decrease in the number of reps using sales aids or other education aids in the physician's office.

“Instead, there will be increased use of e-learning tools to support sales reps,” he says. “Reps will be able to use Tablet PCs to deliver face-to-face e-details, or link up online with physicians at more convenient times to deliver the same sales content. Direct sample distribution through special delivery personnel and direct ordering channels — online, mail, etc. — can cover more practices where costly rep delivery doesn't make economic sense.”

Mr. Knipper suggests that intelligent use of real-time systems in the field will dictate how pharma marketers will differentiate themselves.

“Bringing disease and product information to the physician precisely when the physician needs it is the challenge,” he says “The physician will want electronic detailing, electronic sampling, and electronic alternative sampling, and disease management systems available on their timeline. Fortunately, we now have sophisticated CRM platforms that not only measure productivity but also provide ways to develop campaign management mechanisms efficiently and cost-effectively.”

raw prescribing data, companies devote a lot of detailing time to low-potential sales calls. They also fail to put reps where they will be the most productive. Finally, they have sales-force sizes that are not optimal. In the end, they walk past the kinds of profits they would realize by using call value targeting.”

According to Archie Anderson, senior VP and cofounder of ROI2, pharma companies are learning that the focus and experience of the salesforce does not guarantee a direct and specific impact on the success of the product.

“But ways of generating specific actions, capturing the sales reps' experiences, and institutionalizing them are growing in sophistication,” he says. “For example, a major pharma company recently developed a speaker bureau of 100 trained physicians through its field reps. But when the executives did an influence mapping/KOL identification program, they found that not one of their field selected speakers was named by other physicians as thought leaders in their categories. As pharma companies learn to identify physician relationships and influence, companies will be able to make better investments. The knee-jerk methods of understanding a market are not good enough and will not deliver effective sales and marketing results.”

Mr. Anderson acknowledges that pharma companies know that much of the success and usage of their products is determined by key physicians, or market drivers.

“These market drivers have a huge impact on the understanding and usage of patient strategies and treatments,” he says. “Understanding this reality, marketers are looking for ways to get these thought leaders to indirectly generate sales of their products by discussing and supporting the product message independently. To be successful, they need to develop

Mr. LeVine predicts that physician education will wind up being the big winner because this will be viewed as the area that reps can contribute most to — though not necessarily as directly as might be expected — rather by offering innovative means of education to docs.

“Sampling may well wind up being the biggest loser, especially if it's interpreted too broadly as an inducement,” he says. “On the other hand, less sampling but more vouchers/coupons, etc. may well wind up being a big savings for manufacturers. Of course the less well-off patient will be a major loser in reduced sampling.”

THE PARTNERSHIP ROLE

Mr. Keefer believes that outsourcing, which offers flexibility and scalability, will become a critical strategic option for pharma companies to better meet their objectives in the changing marketplace.

“Some emerging pharma companies may totally outsource their sales teams,” he says. “And while big pharma companies will probably always have their own core salesforces, many are now starting to supplement their internal sales teams with outsourced sales teams to adapt to market conditions quickly and efficiently.”

Mr. Bagshaw agrees that reliance on outsourcing partners will continue to grow as companies look for innovative ways to communicate with physicians and patients to educate and drive product demand.

“The current explosion of new media techniques and technologies will only continue, and this environment of constant evolution and change will require organizations to continue to partner with external marketing teams who continuously operate on the leading edge of thinking in their respective areas and have specific expertise to manage activities through all the different nuances of change,” he says. ♦

PharmaVOICE welcomes comments about this article. E-mail us at feedback@pharmavoice.com.



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