

CURRENT ISSUES IN PHARMACEUTICAL SALES

In the current climate of economic and regulatory uncertainty, with few new blockbuster products in view to match the success of those going off-patent and the market ever more focused on cost-cutting, pharmaceutical sales organizations are increasingly challenged to improve their results without growing resources.

TECHNOLOGY

Mobile tools

The growing use of mobile devices (smartphones and tablets) in combination with a mobile application and data infrastructure can potentially unlock tremendous power, improve customer service and drive significant cost-savings. Few pharma organizations have gone beyond experimental use of these tools yet, so the field is largely open for innovators and first-movers to exploit as part of a customer-centric sales strategy.

- Mobile devices are already used extensively by health professionals at work, so an expectation exists that pharma sales reps will also have them and use them as part of the sales process
- Enterprise-level mobile apps customized for specific functions in the organization, e.g. sales or supply chain management, derive power from their ability to interact with real-time data and enable better and faster decision-making. Mobile-oriented CRM solutions can give the sales force greater flexibility and access to better, more timely information that can streamline the selling process. Mobile apps can be designed to provide appropriate support for different sales needs (e.g. tailored tips and templates for hospital sales vs. private practice sales). Apps linked to data within the organization can make information immediately visible to authorized parties whenever something new is released or a need arises.
- Mobile apps can also streamline administrative tasks, for instance by recording calls throughout the day, capturing receipts with the built-in camera, and allowing the rep to complete admin activities between appointments, and freeing them up to spend more time with customers instead.
- Mobile technology offers many cost-management advantages, with lower costs for initial hardware and software acquisition, lower costs for ongoing support, maintenance, and repair, simplified deployment of new and updated apps via enterprise app storefronts, and reduced costs of sales force onboarding and training.

Focus on the consumer channel

- With many established prescription drugs being converted to over-the-counter sales, the pharma organization whose apps can make understanding and using OTC drugs both safer and easier will have a strong competitive edge in a crowded market.
- A consumer-facing tool that does not yet exist but will give whoever brings it to market first a powerful advantage is an app that can tie into the database of

the consumer's preferred pharmacy and check an OTC product against the individual's current prescriptions for possible drug interactions and side effects.

PEOPLE

Traditional sales based on face-to-face detailing with physicians will continue for at least the next few years, but only as one element of a multi-channel sales strategy that also deploys many other approaches simultaneously—e.g. conventions, speaker engagements, Web sites, emails, eDetails or social media—to help ensure that customers can find the information they need when they want it.

- Sales reps can't rely on "spray and pray" tactics that flood lots of medical offices with the same messages and samples. They have to adopt a more consultative approach based on problem-solving, strategic planning, and applying their expertise and business acumen to support the specific needs of their customers.
- The sales organization needs to support this changing role with relevant training and with appropriate tools, such as real-time access to information during a sales call that can help the sales rep serve as a valuable resource to the customer. Performance metrics also need to reflect the changing sales process and incentivize the kinds of sales activities that are currently effective, not the ones that were encouraged years ago.

PROCESS

The dominant theme in current sales thinking around pharmaceuticals is managing scarcity. There are no blockbusters on the horizon to drive a massive sales surge, just a pipeline full of specialty products and a lot of old hits going off-patent. And in a climate where the pressure for cost containment is becoming a major driver, the role of third-party payers in influencing prescription choices to control costs is only going to grow, so they have to be included as major players in the sales process too.

- Sales strategy is shifting focus from the traditional emphasis on individual physicians and practices to a greater concentration on larger customers and payers. A single bulk sale to a big hospital or favorable inclusion in a major plan's formulary is worth a lot more to the bottom line than several dozen sales to small offices, so organizations need to deploy their resources accordingly.
- Strict new regulations around promotional spend, backed by hefty fines for non-compliance, make it imperative that organizations redefine how they approach and interact with medical professionals and increase the level of transparency around their relationships with them.
- Innovative pricing, collaborative commercial alliances, and new customer-centric service models and technology will lead to more flexible and responsive sales forces that can effectively meet the changing needs of the market.