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The Evolution of Pharma Sales

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A New Approach to Selling

"You know, you're the fifteenth rep I've seen today!" That's what doctors are thinking as the sales representative asks for a signature for starter kits and thanks them for their time. Interactions like this are happening on a daily basis in the healthcare world. The current way of selling is expensive and provides a decreasing return on investment. How many core messages can a healthcare professional (HCP) absorb in a day, or even a week?

The pharmaceutical world has been rocked by massive change in the last decade. Economic factors, an overabundance of reps calling on HCPs, and regulatory changes have reduced the ability of pharmaceutical sales reps to add value and build credibility in their interactions with HCPs. Now, in the wake of that change, Pharma companies are transforming the way they sell. Leading players are beginning to adopt business-to-business sales techniques that significantly alter the way Pharma reps interact with HCPs.

To understand why Pharma companies have adopted a new approach to selling, it's helpful to walk through the four-step journey that brought them here.

1. **New Options:** HCPs have always shown interest in new options to treat their patients. When a new drug comes onto the market, HCPs want to learn more about the treatment options it provides. Salespeople focus on "detailing" their products, leaving starter kits and developing relationships with their physicians. At this phase, there is little need for representatives to differentiate themselves from their competitors unless it is a "me-too drug." Representatives find it easier to get access because the HCPs are curious, hoping that the new option will give them new treatment choices. We have gone through periods when the marketplace was filled with new options. Today, there are fewer new options becoming available.

2. **More Education:** Once HCPs become familiar with new options, they realize that they need more education about these products, the patients best-treated with the products, and, possibly, the related disease state. HCPs want to understand the drug and its treatment options, so they can apply these new options in the best ways possible. In this phase, reps get access when they provide the types of education that best align with the HCPs' need for knowledge. Sales calls focus on educating HCPs on clinical studies, disease states and prescribing information.
   During the blockbuster drug era of the 1990s, Pharma companies expanded the ways that they provided more education. Marketing departments required more details per product, so companies expanded the number of reps calling on their customers. In some cases, there were four to six representatives with the same product or product mix calling on the same doctors. Companies also became more creative about how they reached their top prescribers, offering continuing education programs, speaker programs at top restaurant and entertainment venues, and speaker networks that include speaker training programs with honorariums. Many companies were able to use these programs to build relationships with the participants.

   However, it can be difficult for reps to differentiate themselves during the more education phase, since all reps provide education. The sheer volume of reps in the marketplace has commoditized these visits. In response, marketing departments began to recognize that it was no longer enough to focus their selling efforts on products alone. They had to provide *solutions* to the problems that HCPs encountered with patients: adherence programs for patients to stay on medications, patient education about products and diseases, disease diagnostic assessments, and ways to ease the high cost of medications. Companies developed programs like larger starter packages, co-pay cards, patient assessments tools and 1-800 call-in programs. These solutions were designed to help patients stay on their medications and reduce unwanted callbacks to the HCPs' practices. Some companies also deployed medical science liaisons (MSLs) to help answer HCP questions and issues involving their products. These solutions initially helped to differentiate a company's products from its competitors. However, most companies now provide a similar set of solutions, so this no longer creates sufficient differentiation.

The majority of reps remain locked into this education phase, though. To bring additional value to their customers and companies, reps must learn how to transition their conversations into the next phase.

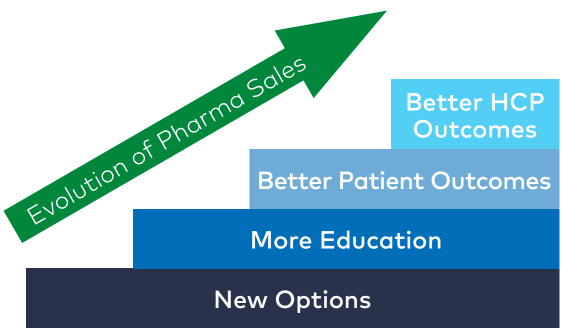
3. **Better Patient Outcomes:** In this third phase, HCPs understand their options and are thoroughly educated, but they want help applying treatment options and solutions to drive better outcomes for their patients. At this phase, it's often unproductive to talk about options or about product information and studies. Reps must be able to describe how their company's solutions (like co-pay cards or disease-management programs for patients) can be of assistance to particular groups of patients

   To be successful here, reps must fully understand the HCP's desired patient outcomes. This requires two unique new selling skills: a high level of customer understanding, and an ability to ask questions that clarify the outcomes the HCP seeks. Customer understanding means that the rep knows the HCP's practice and the patient decisions that are made during the day. It also includes an understanding of the time demands and the trade-offs the HCP must make. Finally, reps need to be able to ask impactful questions about desired patient outcomes, strategies, challenges and actions in order to gain new insights. This knowledge allows the reps to position their products and solutions in new ways that help the HCP achieve desired patient outcomes.

4. **Better HCP Outcomes:** This fourth phase builds off the third phase. The rep must fully understand the HCP's practice, business goals and priorities. Reps continue building their knowledge of the HCP's business, and thus are able to have insightful conversations with the HCP about the practice's business results. With this deeper knowledge of what the HCP cares about, reps are able to work with marketing and sales operations to uncover the solutions of tomorrow. Successes in the third and fourth phases will lead to more enhanced relationships. Reps will now be viewed as valuable resources for their HCPs, helping achieve desired patient and practice outcomes even as they drive their own sales results.

This new way of selling to HCPs is moving pharmaceutical sales closer to a business-to-business selling environment, one that world-class sales reps outside of pharmaceutical sales have understood for a number of years. These reps understand their customers' business goals and strategies and are able to have a business-to-business conversation. These conversations allow reps to become a valuable resource for their customers. Being a resource, or a trusted advisor, allows them to gain new levels of access and sales growth for their products. Reps still need to describe new options and provide more education during a majority of their calls, but understanding their customers' desired outcomes allows them to differentiate themselves by bringing significantly added value to the table.

This paradigm shift requires a change in alignment and mindset on the part of reps, sales leaders and all departments within a company. Systems need to be in place to support field efforts and change marketing strategies quickly. Selling by being focused on achieving overall HCP outcomes requires changing the HCPs' view of a salesperson from "someone here to pitch me" to "someone here to help me get results." Most organizations don't have trouble with what they want to do. They have trouble figuring out how to get it done. Leading companies are showing the way by deeply understanding their customers at every level and providing value uniquely tailored to their needs.



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