10 ways...
to drive
sales force
performance

A practical guide by Data Intelligence

Everyone knows the pharmaceutical industry's commercial model is changing; or at least it should be. The legacy approach, led by traditional sales force detailing of key clinical messages to individual target customers, is being replaced by more account-focused communications delivered across diverse stakeholder groups.

As the communications paradigm shifts with the rapid growth of mobile and digital technologies, multi-channel marketing methodologies are increasingly being deployed to ensure communications are built around the appropriate balance of clinical, health economic and diagnostic information, and delivered across a complex mix of channels. In a data-rich society, sales and marketing are being reconfigured to thrive in the so-called knowledge economy, and the industry is forced to align its operations with customers' changing needs, behaviours and expectations.

But for pharma the theory of evolution goes beyond the transformation of an old commercial model; it requires the full integration of new systems, processes and cultures to support a new breed of commercial executives. Yet the metamorphosis is only just beginning. Pharmaceutical companies are steadily redesigning their strategies and infrastructure to adapt to the emerging environment – but are they doing enough to ensure that their account teams have the right competencies, resources and support to succeed? The origin of the species – the traditional medical sales representative – is almost extinct. But in the new, fast-paced knowledge economy, progress for account managers will be all about the survival of the fittest.

So, in a highly competitive marketplace, how do you empower your account teams to meet the challenges of a changing marketplace, and drive sales force performance? Here are ten ways to do just that.

CALL THE CONCIERGE
1. PREPARE FOR NEW SALES MODELS

The challenges facing the sector are as familiar as they are testing. As the blockbuster era ends pharma companies increasingly focus on niche, specialist products. The impact of this on the field force is well documented; the traditional high-volume, noise-based approach has been replaced by smaller specialist teams calling on clinical and health economic stakeholders.

But the change goes much further than the headline reduction in sales force numbers and the introduction of an account management model – it goes right to the heart of customer engagement. Independent research suggests that the rapid growth of multi-channel communications is putting healthcare professionals in the driving seat and allowing them to dictate the clinical information they want, and how and when they want it. As such, pharma's old-school 'push' model, built around message control, frequency and coverage, has fittingly been given the push. Healthcare professionals are increasingly 'pulling' information and are, in the process, becoming architects of a different kind of HCP/pharma engagement.

In the US, the role of the representative is morphing from the controlled delivery of direct sales messages, to more of a 'concierge' service. Pharmaceutical account managers are increasingly becoming facilitators – responding to the specific information needs of individual HCPs, and providing appropriate content. These include remote detailing, peer networking, self-service portals, content feeds and clinical/payer KOLs on demand.

The evolution from push to pull is demanding a more agile approach from the sales force and redefining account managers' core competencies. Moreover, while the development of the concierge approach is in its infancy in the US, it is tipped to become a global concept. This means that commercial teams need to develop a greater control and understanding of all the resources at their disposal – to develop value propositions that respond to customers' agile and evolving needs.

Furthermore, beyond adding value to the customer interaction, data needs to underpin and inform how companies support, develop and motivate their commercial resources. To succeed, companies need to adopt an integrated approach to the management of data – and empower their account teams to compete in the knowledge economy.

GOALS AND CONVERSIONS
2. TRANSLATE TEAM OBJECTIVES INTO TANGIBLE TARGETS

Successful brand performance begins with the development of a clear, measurable and realistic strategic plan that responds to the needs of the market environment. A typical brand plan will obviously include data detailing market size, target demographics, associated resource levels and a robust P&L – but segmentation and resourcing are only part of the challenge. Once you've developed your roadmap, how can you ensure account teams focus on the right things to – quantifiably – meet brand goals? Effective target setting is critical.

To achieve this, it's important that both coaching frameworks and incentive plans are aligned with overall brand objectives. These aspects, which are often considered in isolation from the brand plan, should in fact interrelate to ensure that they drive the right behaviours – and the right results – across your account teams. The challenge, therefore, is to convert agreed business objectives into tangible targets – and share them transparently with your team.

Brand objectives are, of course, fairly standard. A company may, for example, wish to grow a product's sales by 10 per cent, or be launching a specific indication designed to prise market share from a competitor. Whatever the objective, it's vital to ensure that resources are coached, supported and motivated in line with these agreed goals. It's therefore important to break targets down into numbers and approaches that the sales force can understand. The considerations are simple yet all-important. What do you need your teams to be doing differently in their behavioural execution? How does that inform their coaching requirements? Likewise, what do your objectives look like in terms of the metrics, numbers and models used to set targets? And how do those goals and incentives interact with objectives for other brands? An imbalanced incentive plan may have positive implications for one product, but devastating repercussions for another.

The key to setting effective targets is to ensure you have a full understanding of all your data sets – allowing you to build aligned competency frameworks and incentive plans, based on transparent and integrated data.

SUPPORT THE COACH
3. PUT YOUR FAITH IN FIRST LINE MANAGERS

The selling environment has changed irrevocably. Whether companies are adopting an account management model or more progressive 'concierge' methodology, the need to develop customer-centric communications has reached fever pitch – and it's a huge departure from the adversarial approach that typified traditional pharma/HCP engagement. With access to HCPs diminishing, companies need to make sure their sales teams optimise the time they spend with customers. The question is, how?

The evolving landscape is placing increased emphasis on the need for agile and effective coaching. Historically, companies invested heavily in field training departments and typically ran instructional training programmes that, literally, told sales representatives how they should operate. But, in a more customer-orientated environment, methodology has progressed beyond the 'one size fits all' approach into a much more bespoke engagement. The need for customised 'situational' coaching is now widely accepted – but for it to succeed, companies must ensure that their operations, systems and processes are aligned for commercial success.

Effective coaching is built upon three pillars: robust customer understanding, strong leadership, and proactive and responsible account managers. And a fourth critical success factor, access to smart business intelligence, underpins all of it.

The interaction between first line manager and account manager lies at the heart of the coaching exchange. The best examples of good coaching are often found where companies have invested in their first line

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managers to drive coaching programmes, in collaboration with account managers, who in turn take individual ownership of their coaching requirements.

With every territory, local health economy and account manager being completely different, first line managers are well-positioned to understand the full combination of business, customer and human/psychological factors that create personal development challenges – and to design relevant coaching activities to respond to identified skills gaps, in line with an agreed competency framework. But in an optimal system, the onus remains on account managers to take responsibility for their own development, and initiate coaching interventions in response to their individual needs and situations.

Such a collaborative approach, fuelled by the ongoing capture of – and shared access to – real-time data documenting interactions, can stimulate a powerful situational coaching methodology that aligns with fluctuating business needs – and drives sales performance. Investment in tools and systems that give commercial resources access to reliable internal data can empower first line managers to make a real difference in changing account managers' habits and behaviours. And in the process, help ensure brand objectives are more easily achieved.

JOIN THE LINE-UP
4. ALIGN COMPETENCY FRAMEWORK AND BRAND PLAN

The rationale for situational coaching is no longer a topic for debate - but how do you optimise it? The most effective coaching begins with the development of a Competency Framework that outlines the core skills needed within a team, and what that means in terms of performance metrics. A good competency framework will align neatly with your brand (or portfolio) strategy. From that base point, coaching interventions will vary according to the needs of individual account managers – to deliver situational coaching in its truest sense – but the framework itself will serve as a consistent blueprint for the team.

Competency frameworks differ from brand to brand – but they are likely to include common elements and subsets. At a broad level, competencies can cover general aspects such as planning, engagement, execution and outcomes.

Coaching sets out to identify skills gaps and explore solutions to help fill them – putting the power back in the hands of the person needing the intervention. As such, it is now established as a proven methodology to help account managers perform in line with an agreed competency framework, and adjust their behaviours accordingly. It can help drive performance against the common components of every framework, by examining key considerations:

Planning: Do individual account managers understand their environment? Are they *au fait* with the financial objectives/challenges of specific stakeholder groups? Do they understand the stakeholder map, the current guidance and protocols in place and the competitive landscape?

Engagement: How can account managers build rapport with customers? How can they use business intelligence to gain trust, demonstrate knowledge and build customer empathy?

Execution: How effective are account managers' sales presentation skills? Could they improve aspects such as contextualisation, seeking alignment and agreement closing? As progression towards the 'concierge' model gathers pace, sales calls no longer take the traditional form – engagement is more concerned with understanding the environment, contextualising problems, offering solutions and encouraging collaboration.

Outcomes: Coaching for outcomes is highly effective – forcing account managers to maintain a focus on the end result. Key considerations include; are AMs achieving the right outcomes? Are they aligning with customers' agendas? Are they leveraging the learnings from individual accounts to drive performance elsewhere?

In all of these examples, coaching is enhanced by access to meaningful business intelligence, facilitated by SFE systems that integrate and maximise companies' substantial data assets. Such data, in tandem with an aligned brand plan and competency framework, can significantly help drive sales performance.

ENSURING BRANDS FLOURISH
5. ALIGN YOUR INCENTIVE PLAN WITH THE BRAND PLAN

A strong coaching infrastructure is a vital ingredient in any responsive brand plan – but on its own it is not enough. A failure to incentivise and compensate sales teams is a sure-fire recipe for disaster. Once again, success depends on the upfront development of an incentive plan that integrates with overall brand objectives.

Understanding the difference between brands, teams, product lifecycles and diverse geographies is a key consideration in the creation of any incentive plan. Aspects such as base bonus, the strategic importance of a particular brand, and what the payout curve might look like should all link to the brand plan. Similarly, companies often seek to implement a national incentive model, but the most effective plans will flex to reflect local challenges on the ground.

A product's position in the brand lifecycle is equally important when setting targets and incentives. For example, in a declining market, sales growth for an older product may not be feasible – but if your brand is declining at a slower rate than your competitors, incentive plans should seek to reward account managers accordingly.

COMPENSATE FOR COMPETENCE
6. ALIGN YOUR INCENTIVE PLAN WITH YOUR COMPETENCY FRAMEWORK

An effective compensation plan will also fit hand-in-glove with a competency framework. It is essential that desired competencies are reflected in the incentive plan, and that bonuses reward performance against all required behaviours. Compensation plans should not only reward tangible outcomes such as sales growth or market share, but also recognise delivery against some of the more intangible aspects of performance. A good plan will reward inputs as well as outputs. Moreover, if the competency framework identifies skills that, no matter how well they are delivered, are failing to reflect in positive sales results, account

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teams should not be penalised for a poorly designed competency framework, but be recognised for meeting its objectives.

With sales force motivation of paramount importance, designing an appropriate incentive plan is a business-critical activity – but it cannot be done in isolation. For an optimal plan, companies must collaborate and maximise all their data assets.

GREAT EXPECTATIONS
7. SET TRANSPARENT OBJECTIVES, AND ALLOW INDIVIDUALS TO TRACK THEIR PROGRESS

The collaborative development of competency frameworks and incentive plans that align with the strategic brand plan can go a long way to driving sales force performance. But the approach can be further enhanced by exploiting digital technologies to enable the transparent exchange of important information. By using a centralised system that captures and integrates data from diverse internal and external sources, sales professionals can benefit from comprehensive access to the development resources, objectives and metrics that are crucial to their progress. This ensures that individuals have a clear understanding of their goals, how they are measured and how they are performing. This enables them to take ownership of their coaching needs and encourages self-learning.

Likewise, sales professionals can monitor how they are progressing against their incentive plans – and understand whether they are on track to reach their bonuses, as well as the financial implications of falling short of – or exceeding – their targets. This once again drives sales performance, acting as a motivation for account managers to seek new coaching interventions to improve their competencies. In the longer term, such transparency allows individuals and

teams to chart career progression through tangible evidence of visible metrics.

PUBLIC EXECUTION
8. DESIGN EFFECTIVE INFRASTRUCTURE TO EXECUTE YOUR PLANS

The successful implementation of an integrated plan that drives sales performance in line with strategic business objectives requires a combination of the right data, the right metrics and a system that enables access by all the key stakeholders. To achieve this, a proactive and collaborative approach to system design is essential. Early engagement with representatives from all end-user groups will help ensure systems respond to diverse information needs and are tailored to present data in a simple, consumable and understandable format. In a fast-moving environment, solutions need to be as agile and responsive as possible.

COME TOGETHER, RIGHT NOW
9. MAKE YOUR DATA WORK FOR YOU

Pharmaceutical companies are awash with data; sales data, payer and government data, longitudinal patient data, disease prevalence data, CRM, master data, market definitions, territory structures and supply chain information. The list goes on. But despite hoarding these seemingly bottomless pits of data, much of it remains stored in disparate and disjointed systems. As a result, its collective value is diminished.

This need not be the case. Pharmaceutical companies can, and should, do more to make their data work for them by bringing it all together into one fully-integrated and fully-serviced data warehouse – and configuring it to inform key strategic decisions. By getting their data under control, companies can drive real competitive advantage and deliver significant efficiency gains.

DATA INTELLIGENCE
10. IDENTIFY THE RIGHT PARTNER TO DELIVER REAL CHANGE

The tenth way is simply to be open to a better way of working. The healthcare environment has changed beyond all recognition – and pharma has done much to reorganise its operations in line with an evolving global landscape. But much more could be done to harness the power of data and drive sales force performance. Technology provides a powerful platform to optimise resources, make operations more efficient, accelerate processes and drive profitability.

The most progressive businesses are those that have recognised the benefits of integrated data assets, and partnered with technology companies that can help bring together fragmented data sources into a single, accessible repository. The most effective partners will offer a heady cocktail of a fully serviced platform; providing support, tools, analytics and pharma-specific IP to help companies make decisions in context. In the process, they are aligning for growth, empowering their resources with access to transparent, real-time interactions – and driving sales force performance through the knowledge economy.

For case studies and examples of how pharmaceutical companies have used Data Intelligence to optimise commercial performance, get in touch.

There is a better way.