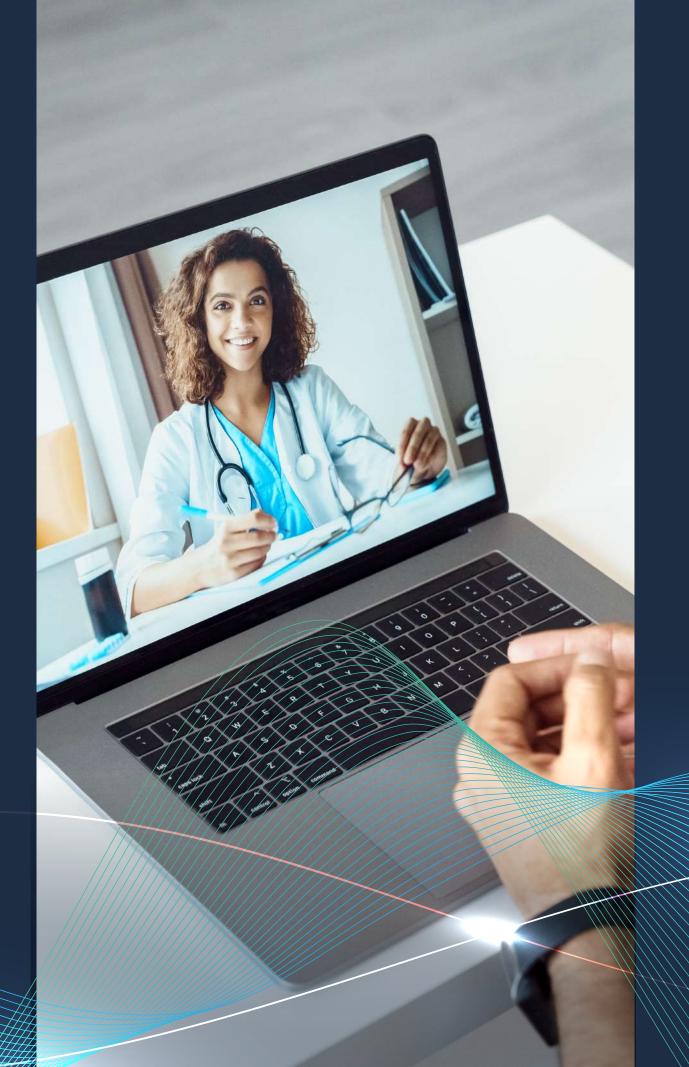


The pharmaceutical industry has based sales success on a volumetric approach defined by reach and frequency, share of voice and quantitative call volume targets. Recent changes in healthcare professionals' behavior and evolving market trends have pushed pharma sales teams to rethink their sales approach and customer engagement. The new challenge is to create differentiation through stronger relationships with healthcare professionals by providing higher added value.

This transformation of the pharma sales team from a promotional speech centric approach to a customer-centric approach is critical.

The sales manager is the key driver in this transformation by providing the connection between sales strategy and field execution. The sales manager's role has been evolving and increasing in complexity due to these changing customer behaviors and dynamic market trends. These trends often leave sales managers overwhelmed and can impact sales success.





Trends Challenging a Sales Manager's Ability to Drive Sales Success



## Harder to Access Physicians.

Today's HCPs don't trust or rely on pharmaceutical sales reps as they once did. >50% of physicians don't want to see sales reps as provide only the stale information they already found. 68% of oncologists say the reps continuously present information they already know¹. They don't have the time to meet with them either, thanks to the tsunami of patients they need to receive in order to be successful.

**The Challenge?** Sales reps often respond to this lack of access by developing faster sales pitches or use it as a reason to stop trying new sales strategies. How many times have you heard a sales rep say..."What do you want me to do...they don't allow access?"





#### Lack of Differentiation.

Increasingly rigid regulatory environment has resulted in unprecedented restriction on what customer-facing promotional resources, the sales reps can use. Coupled with increased competition and crowded communication channels thereby making harder for reps to stand out from the crowd, build lasting relationships with the doctors they hope to sell to, and consistently move products. As the perception of clinical parity increases, differentiation will increasingly depend on how a seller engages to uncover, influence, and align to a customer's real needs. Differentiation is NOT... "Doctor can I have your commitment to write my drug for your next 10 patients"

The Challenge? Without a concise effort to create differentiation then issues related to lack of HCP access and engaged conversations will continue to erode reinforcing the lack of differentiation until they have something new to sell and even then, that will require reframing the HCPs perception.



#### Increased Customer Expectations.

HCPs want value beyond the brand. Clinical differentiation erodes more quickly now than ever before – even for a new or novel entrant. But selling mature brands with established data and no new studies on the horizon requires an even greater emphasis on establishing and reinforcing value beyond the brand. In practical terms, this means that sellers must provide value resources that help HCPs in their efforts to provide quality care for their patients.

The Challenge? Understanding how your reps are responding to these rapidly changing HCP expectations requires exposure and observation of your sales team in action, which requires even more of your precious time to being in the field.



## More Decision makers and Influencers.

Managed care and healthcare reform have created additional dimensions of need that providers at all levels struggled to balance. Every stakeholder along the healthcare food chain – from regulator to payer to provider to patient – is faced with the reality that multiple decision criteria must be addressed in order for the use of a drug to be habituated. Sellers must be able to assess an HCP's dominant motivators [scientific, economic, administrative] and align their offering according. Simply put: The day of the compelling clinical message being the differentiator is over.

The Challenge? Training and preparing your sales team to understand their HCP decision criteria and motivators is critical, often requiring advanced observation and engagement skills.



The challenges and trends described above relate largely to issues in the external environment in which pharmaceutical and biotech companies must operate. However, internal challenges exist as well. Some, every bit as difficult to manage. Chief among these challenges are:

#### Dis-engaged Sales Force.

Recent studies have shown that 64% of the sales team are not engaged or actively disengaged<sup>2</sup>. Additional sales rep turnover also is costly on numerous fronts, both direct and indirect. 58% of employees believe their leadership team consistently strives to retain their employees<sup>3</sup>. An empty territory or one with a dis-engaged sales rep creates competitive vulnerability, as you lose the voice to counter our competitors' detailing efforts. Losing a trusted resource means losing an established relationship that may have taken years to build. And, of course, a new seller will have a sizable hill to climb to build the customer intelligence and intimacy that is lost each time a rep leaves. Sales Managers are critical to recognizing sales force engagement and developing strategies to ensure engagement is strong.

#### Sales Coaching is Time-Consuming.

Sales managers who devote more than three hours of monthly coaching to each team member achieved 107% of their team quota. On the other hand, teams that received no coaching met only 82% of their quota<sup>4</sup>. Unfortunately, sales coaching, while necessary, is very time-consuming. While there are many ways to coach a sales rep, the most effective sales coaching generally involves observing your sales reps on sales calls and giving coaching feedback.



#### Ineffective Sales Development.

Successful sales managers need to manage results together with underlying behaviors that produces those results. 33% of salespeople say their manager discusses their talent, yet it feels like a box is being checked<sup>5</sup>. There are many behaviors to manage and developing: prospecting activities, meetings conducted, talk time, the number of new opportunities added to the pipeline, etc. Many sales managers have difficulty identifying and focusing on the critical sales skills and activities essential for their sales reps achieving their sales goals. The solution is often to develop a sales development program that covers all skills and put all sales reps through the same often bloated program, which is a waste of time...which is already scarce.

#### Prioritization of visible metrics.

Even when sellers are repeatedly told and trained to engage in a customer-centric manner, the performance criteria against which they are measured often remain focused on volumetrics. It is easy to measure what you can count. But as Einstein said, "Not all that matters can be counted and not all that can be counted matters." In the end, people do what is measured, because metrics are an expression of what an organization values. If an organization values authentic customer-centric engagement, leadership must be willing to measure and reward on the basis of both quantitative and qualitative metrics.



# The Opportunity

To overcome these challenges and drive sales success, sales managers must adapt with a renewed focus on coaching and sales rep performance development. Time spent one-on-one developing your salespeople is one of the best ways to boost your team's performance<sup>6</sup>. Observing them in customer conversations, finding specific behaviors to improve, and providing individualized coaching and development plans to improve performance and get results.

Of course, there never seems to be enough hours in the day for this level of engagement. Finding the time to schedule ridealongs while juggling a million other responsibilities is not as easy as it used to be and in organizations with numerous frontline managers, varied styles and coaching experience leads to huge inconsistencies and mixed results.

Imagine, if you knew exactly where your reps were struggling, what could you do with that? Just like you have sales dashboards to provide insights into a sales rep's territory, having a dashboard that provides an unbiased diagnostic of your team's capabilities, both skill strengths and development areas would arguably be even more valuable.

Diagnostic data is one thing, knowing what data is most critical and what to do with that information is typically a challenge for many sales managers. Sales managers need guidance in what behaviors and performance gaps need coaching focus, as well as the proper tools to support said coaching, to yield the best sales results.

Detailed analysis reports make it easy for managers to deliver consistent feedback to reps across every team, and for companies to deliver a consistent coaching approach across their organizations.

Developing and growing your sales team is vital to remaining competitive, delivering value to your customers and improving performance. Once a daunting task, this is now possible with a few clicks of a button.





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