



A Christmas call rate

What will your
salesforce be doing in
the New Year? Roy
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Consultancy
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asks in a reflective
festive mood.

'So this is Christmas, and what have you done?' Another year over, and a new one just begun,' to paraphrase John Lennon's famous song. And, in the pharmaceutical industry, it is indeed the time of year for looking back and telling good stories!

So did you hear the one about the sales director from a pharmaceutical company whom it was alleged was waxing lyrical at an Industry seminar during the year about his 'thinking medical representatives?'

'Traditional representative activity and performance measures are redundant within our regionalised strategic model,' he continued. 'Yeah, but what's their call rate and can they sell?' shouted out a luddite member of the audience, who was undoubtedly from a competitor company. The sales director responded that call rate was 'probably' low, but not a consideration for his representatives who were graduates from the top five universities in the country. He proudly continued that his representatives 'focused on self-selected high potential customer targets and contributed to team sales, as individual sales targets were not relevant with team-orientated representatives working the same territory.'

Warming to his theme, he continued: 'Our regional managers are focused on the business rather than spending time with representatives.' 'So how do you know what they're doing?,' retorted his tormentor.

The conclusion to this apparently fictitious tale was that, in a blinding flash, the poor man saw the lack of practicality in his cerebral strategy, and changed his ways. The sales grew, everyone was successful, and they all lived happily ever after.

Perhaps this nightmare of being unable to accurately performance-manage sales teams may never come to pass if we have the right culture in place. If we haven't, we will have to hurry.

Now, having been a national sales manager, I certainly don't want to be accused of being visited by the Ghost of Christmas Past and go on about how salesforces 'ain't what they used to be.' Rather let's look at the Ghost of Christmas Present and ask what the 'Dickens' are

salesforces really doing these days and where do they need to be to deliver today's objectives and to meet the shape of things to come?

Think about it!

To be perfectly serious, the purpose of this article is not to advocate whether call rates or specific metrics are in or out. Rather, the discussion concerns how to optimise who representatives are seeing and – crucially – what they are saying when they are making these increasingly precious calls. This becomes even more salient as political pressure on the Government to deliver a better NHS is reflected in dramatic environmental changes, which are cascaded down to our customers.

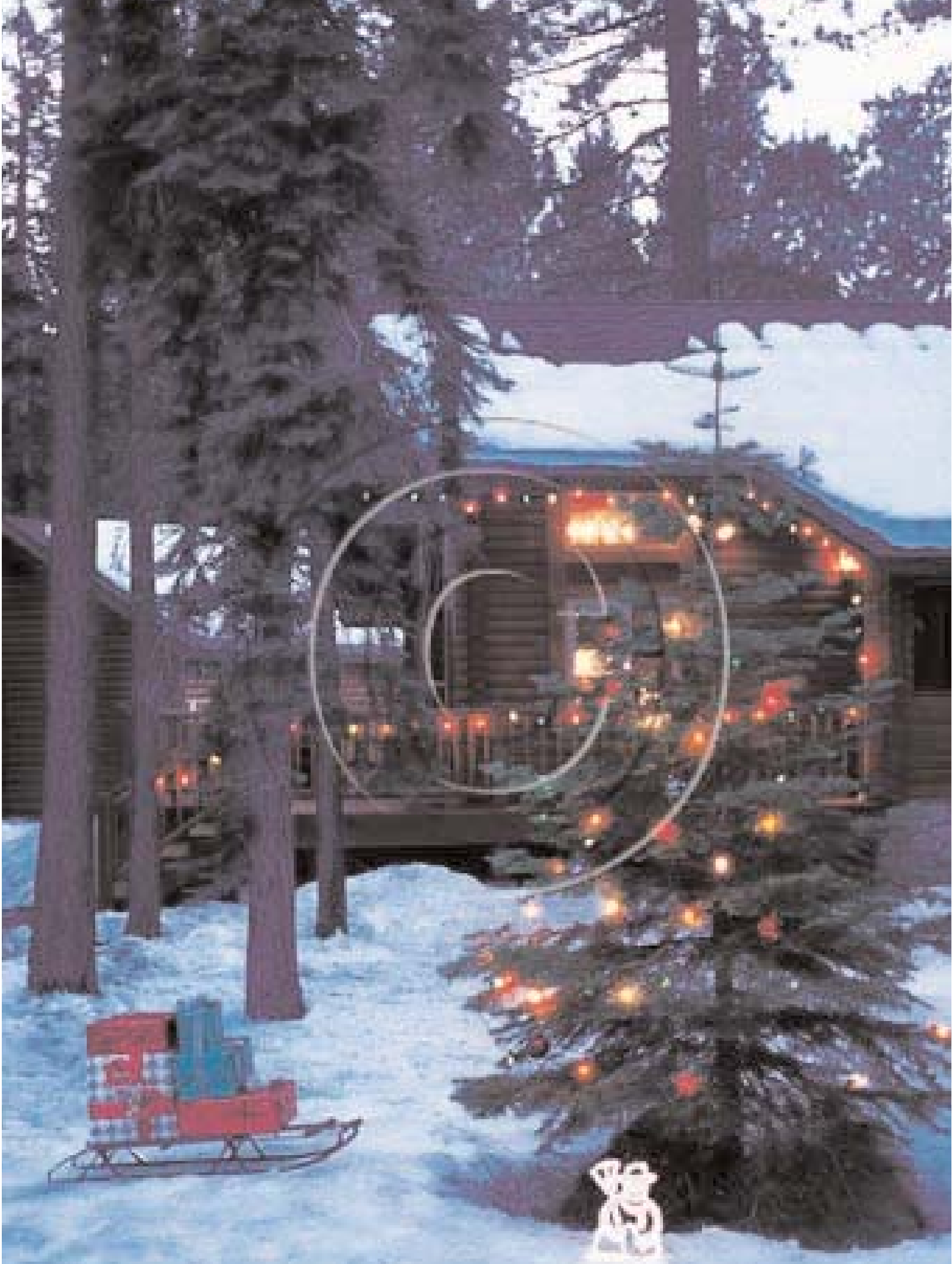
Fundamentally, then, if you do have a visionary sales strategy, how do you make it happen at the coalface? And, if you are using sophisticated monitoring and planning tools, are you using them properly in an integrated fashion to deliver your vision?

Representative issues?

As a recent publication has stated: 'However it is dressed up, the primary role of the medical representative is to sell.' The author goes on to reiterate that 'the core job responsibility is to sell the company's products using selling skills to communicate the core branding messages to healthcare professionals.'¹

Of course, while we would all agree this is straightforward and simple, principles are always worth revisiting. So how do we know the selling process is happening in the most effective and, indeed, up-to-date way?

Paul Hudson, hospital director (and a former national sales manager) at Schering-Plough says: 'As an Industry, we seem obsessed with frequency and coverage driving calls in which representatives "tell sell" and then think we have done a good job. But have we?' Let us not forget that, as an Industry, we have been moving promotionally over the last few years from being focused on 'diagnosis and prognosis' to 'profiling and prevention.' However, a reasonable question to ask, given the major investment in salesforces and a rapidly changing environment – with a new GMS contract for GPs in April 2004 – is whether or not medical



A Christmas call rate ► representatives are being managed to maximum effect, even if expensive systems and management solutions are in place.

Indeed how do we know what 'maximum effect' looks like? Is your sales team talking in terms of how they can help GPs hit the maximum 550 clinical points? Are they feeding back to your marketeers ideas on how they can support the achievement of organisational indicators (184 points) or additional services (thirty-six points) or even patient experience (100 points)? Are your NHS teams talking in terms of primary care trust star ratings, and are hospital representatives completely up to speed with new drug protocols, formulary status and strategic health authority objectives?

These issues are apart from trying to put in place systems that accurately track representative activity and indicate whether some of your most expensive members of the team spend their afternoons hiding in the cinema!

An increasingly crucial part of any planning has to be to think about how long the representative actually gets on the call and then consider the best way to maximise the impact.

Although a different market, a recent study in the US² showed that, between 1995 and 2000, 'the amount of time spent with representatives by the average US doctor decreased from twelve minutes to seven minutes per day.' In addition, only 20% of doctors saw more representatives in this time period 'despite the significant growth in total sales head count, implying that each representative must be making fewer successful physician visits.'

As they say, 'when America catches a cold, the UK sneezes,' which suggests that this is food for thought in the UK environment. So, assuming that this applies to the UK, given this relatively limited time for representatives to make an impact with increasingly time-pressured doctors, how do you know that your sales teams are using their skills to maximal

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effect? Surely a level of sophistication is not too much to expect, or is more training and development needed?

Rocket science

This is not rocket science – but hang on a minute, if you really could deliver the old adage of right message, right customer, right place, right time and right management, wouldn't it be a real source of competitive advantage? For example, the former Andersen Consulting produced a report that predicted better management of promotional investment could lead to improved profits. For example, if a \$1 billion company improved the focus of its sales and marketing capability by 30% through targeting the areas of highest potential, profits could improve by \$135 million.³

In fact, a further report predicted that, although 77% of companies intend to increase their salesforce by 2005, 'such growth has not been accompanied by improvements in salesforce productivity.'⁴

So what how can we improve representative measurement? Just to keep you all on your tenterhooks, we'll return to this issue in next month's *PharmaTimes* Magazine. With any luck, this will have given you something to mull over with your turkey and glass of wine... Happy Christmas! ▲

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