



MEDUCOM MONITOR



BEYOND PHARMAGEDDON: AN AGENCY PERSPECTIVE

In the inaugural edition of the Meducom Monitor, we examined the recent and rapid evolution of the Canadian pharma environment focusing on the requirement to shift towards specialty markets. In this article, we delve into the changing dynamic of the marketing and sales model, and examine strategies to move beyond the “doom and gloom” outlook for pharma...the so called “Pharmageddon”.

The End of the Arms Race

Historically, success in pharmaceuticals was dependent on implementing a well accepted marketing and sales approach, focused on obtaining the strongest share of voice via as many feet on the street as possible. Recent years have seen even the large multinationals rethinking this business model on a global scale, with concerted efforts aimed at achieving efficient productivity and profitability. Building the optimal marketing mix within this paradigm shift is complicated by tightened marketing and sales practice codes and even stricter corporate governance. The result is that companies have moved away from mass promotion with armies of reps. Infrequent new product launches, shifting buyer behaviour and increasing consumer activism has accelerated the need for change.

The Next Generation Sales Rep

Sales models are moving away from a reach and frequency focus and decisions will be based on higher engagement with key targets, message retention and social brand recognition. The company will be tasked with learning what is important to the customer and setting out to meet their needs through a continuous sales call approach of value or outcome selling. Companies will employ fewer reps, but those that are in the field will possess refined medical science capabilities and an unprecedented customer service mentality. These reps will be trained to engage their customers in meaningful clinical discussions and on their products and the disease area in general. “Sales” calls will transition from the traditional product differentiation approach of “drug A is better than drug B”, to insightful conversation that addresses the question, “For whom is drug A better than drug B?” Overall, reps will become a trusted partner to physician, nurse and pharmacist audiences, with recognized added value to clinical practice.

A Tool Does not Define a Strategy

With the elimination of thousands of sales reps, companies are looking at digital platforms like the iPad to help engage physicians. It is imperative that tablet technology be designed to enhance the effectiveness of communications and interactions with key customers, and not to replace the need for highly trained, highly effective representatives in the field

building mutually beneficial relationships. The technology race is exhilarating, but an iPad is simply a platform for delivering a message. To maximize ROI, the tactic needs to involve more than just an electronic version of the detail aid; it must be interactive and engaging.

Tools can be developed that allow customers to glean insight from KOL opinion on critical questions about a drug, or gain an appreciation for the patient’s perspective on drug choice and adherence. Representatives can utilize mobile technologies to provide real time support to customers by engaging them in live video chat during critical decision points. Logistically, mobile technologies will become invaluable for customers to order samples, determine reimbursement status, or request information. However, for the convenience of the healthcare professional and to maximize value to the pharma company, these tools should be developed at the corporate level and not be brand-specific.

Marketing and Sales: The Fundamental Partnership

The solution to “Pharmageddon” will require Brand Managers to implement a Strategic Account Management approach to their marketplace. This model will require company-wide commitment to seek and develop strategic relationships with a well defined and reduced number of key customers. Sales reps will not carry the full burden of fostering and maintaining customer relationships, as marketing will be increasingly responsible to lay the foundation through diverse pre- and post-launch activities. A synergistic and coordinated effort will allow marketing to define what information is to be communicated, and equip the sales force to do so. Marketers will be required to understand and appreciate the evolving needs of the sales force, cultivating open lines of communication so that brand plans are based on actual and not perceived needs. Strategies and tactics for the brand will reflect the need to create long-term, sustainable and measurable impact.

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