

# Rebirth of a Salesman: Why Sales Forces Are Due for a Revival

Eric Janvier and Wendy van der Lubbe ask how traditional sales forces can be best utilized in a new model of customer-centric engagement.

Communicating directly with customers may be simultaneously the most important and challenging task for pharma. For the 'traditional' sales force, having a conversation that is of genuine mutual interest and benefit to both parties is beset with difficulties, simply because of the fundamentally transactional nature of their meetings. After all, a sales force is there first and foremost to sell.

In recent years pharma companies have acknowledged a growing need to engage their customers in new and more meaningful ways, not always necessarily linked to the direct benefits of their products. They have also realised that new customer structures have emerged, forming intricate networks of care. Many companies are trying to change or adapt their approach to customer relations to

reflect this, moving the focus away from the traditional sales force approach to a more 'customer-centric' one.

In many cases, the sales forces are composed of valuable individuals possessing good technical skills as well as a fairly good knowledge of their customer's environment. But for years, because of commercial strategies and more recently evolutions in regulations, their true value has been much under-utilized.

So how can traditional sales forces be best utilized in a new model of customer-centric engagement while fulfilling their central objective of selling products?

## Towards a customer-centric approach

In our experience, the customer-centric approach is in many respects working, but there are issues. On the plus side, it has almost certainly opened doors to new customers and allowed pharma companies to establish more meaningful, robust and long-term relationships with key stakeholders. It is difficult to gauge the relevance and benefit of many of these relationships, but it cannot

be doubted that the customer-centric approach has afforded previously unattainable access to key influencers and produced a better strength and depth of customer-relationship than ever before.



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On the other hand, a customer-centric selling approach is expensive, time consuming to implement and can be challenging to organize and structure internally. Additional staff may need to be recruited, and significant training needs to be completed by new and existing staff to ensure everyone is up-skilled and on the same page. Internally, most customer-centric approaches are driven by marketing, leaving little room for the sales teams to act based on what they see in the field. Meanwhile the needs of customers are numerous and extremely varied, making provision of services with a genuinely mutual benefit extremely challenging. One could argue that the customer-centric approach does not always suit the needs of the company because it is simply too customer-centric.

We believe there is an **effective and more efficient way** to embrace the best elements of the customer-centric approach by maximizing elements of the traditional sales force model and combining this with optimized service provision — rather than needing to completely restructure and reorganize the commercial organization. We also believe this solution has a clearer and more tangible business benefit for the company.

### Matching services to customers

By moving towards a customer-centric approach, pharma has acknowledged a fundamental change to its mindset, which is that the product alone is no longer sufficient as a starting point for a conversation with customers. Now it's about what else is on the table. How can pharma companies engage in the health and wellbeing of society beyond provision of pills? How will they help regulators, payors and healthcare professionals to solve healthcare challenges? Conversations between pharma companies and their customers go beyond the product and towards offering of services that surround a product and improve outcomes. And indeed, the word 'customer' could now be interchangeable with 'partner'.

There are many ways to in which companies can transform 'dated' sales forces into customer-centric style account managers. To make the transition, many have taken the needs of the customer or partner as a starting point and adapted the company approach, structure and services to match them. However, evaluation of the existing company services together with identification of the customers who would benefit most from each might be an easier starting point. The findings point out what to adapt and how to sell as appropriate.

In theory this should be a more attractive option to pharma companies for several reasons. First, it means the company is always offering services that are relevant and beneficial to both the company and the customer. This may sound obvious, but in a time of dwindling resource, it is remarkable how much money is being spent by pharma companies on initiatives that are of absolutely no benefit to them. Second, linked to the first point, it allows the company to potentially **achieve more with fewer resources**, increasingly important in the current environment. Third, this approach causes significantly less organizational disruption, and will only require some training or recruitment.

Transition to a customer centric approach in sales is not simply a case of thrusting company services upon customers in a scattergun approach to see who bites — that's no different to the 'traditional' sales model. This is about matching company services to individual customers. So how can it be done?

### Maximizing sales effectiveness

The first step is to set up an operating framework that determines the areas in which the company will function in terms of service offering. This can be achieved through combined analysis of the clinical

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pathway of the company products and a stakeholder needs assessment analysis. Once that has been completed, it is possible to segment customers based on certain parameters. The result is a list of customer profiles, which allow the company to adapt and match their own services to each profile. This kind of stakeholder profiling, in essence, allows for a tailored customer-centric-style approach but in a simplified, broader-strokes way.

Once you have the profiles, customers can be grouped under each one. It is then possible to provide the sales force with the tools, language and company services that are matched to each segment.

In this model, the sales force members are a critical component, but their role has to evolve slightly so to an extent they do become "relationship managers" who are not just pushing products. They are able to talk about the wider service offerings, and identify customer profiles and match resources and offers accordingly. There is therefore an element of training required to educate the sales force on the profiles and how to match the services discussed accordingly, but it is not to the extent of training key account managers. It is also important that the tools are simple and pragmatic, and can be adapted to fit

individual requirements if possible.

As well as having the significant benefit of utilizing and maximizing an existing resource in the sales force, this approach has the **added benefit of streamlining** marketing and sales teams. Because the company services need to be matched to specific customer profiles, it ensures marketing has to consider the characteristics of the end user. In theory this should make for a smoother transition between what comes out of marketing and what the sales team pitch to customers.

We believe the time is right for many companies to take this kind of approach. It is feasible now because companies now have the capacity to create and disseminate services to multiple audiences, helped by cheap and efficient technology. And while some company services have been there all along, it is only now that the true value of services is becoming properly appreciated.

### Conclusions

The customer-centric approach has been adopted by many pharma companies for the right reasons, predominantly the need to move away from pure product-selling and towards a more holistic service offering. But when insufficient

time is taken for training and change management, a full-scale customer-centric approach can be too customer-centric, with not enough benefit for the company. It can also be incredible draining on time and resources to implement.

**Using existing sales forces is probably the cheapest and most efficient way to create a customer-centric environment.** With this new model, the starting point is not the individual customer, but what will benefit the company as well as the customer, what the company has to offer in the context of its product pathways. Through stakeholder profiling and needs assessment, these services are matched to customer needs, creating a win-win scenario for all concerned. And best of all, it puts the oft-disregarded sales force right at the center again, representing the company and taking part in consultations that are of genuine mutual benefit to customer and company alike.

### About the Authors

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