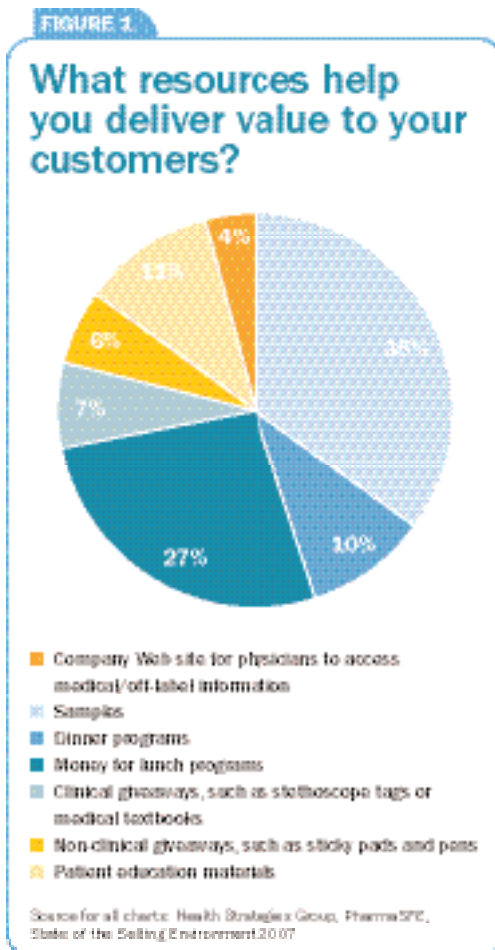


ACCESS

THE STATE OF THE SELLING ENVIRONMENT • BY RAYNA HERMAN

REPORT



LARGE SALES FORCES, SHORT CALLS AND INCREASING competition for physicians' time remain key issues for the selling environment in 2007. Each year Health Strategies Group assesses the state of the pharmaceutical selling environment. Our objectives are to characterize representatives' interactions with physicians, identify contributors to access and value, compare company performance, and recommend strategies to improve access and increase value. This spring, we fielded quantitative research with 1,207 high-prescribing physicians, 48 nurse practitioners, 45 physician's assistants and 178 sales representatives from more than 10 companies that call on these physicians.

A snapshot of the selling environment: Access remains a challenge

The average primary care physician interacts with 31 pharmaceutical sales representatives each week. The average specialist interacts with 15. The one-minute "drop-in" call remains the most common interaction type in 2007. Representatives conduct approximately 40 office calls per week and spend a little over two hours each week (127 minutes) engaging customers in products.

The best access continues to occur during lunch meetings, which provide 12.5 minutes of discussion time on average. However, "no-show" physicians are becoming more common during lunch meetings because of overwhelming patient and administrative demands.

Sixty percent of representatives have more "no-sees" in their territory now, compared to the same time last year. But the access challenges today are physical as well as mental. More representatives this year express frustration about their customers' reluctance to engage in product discussions. Nearly one-third of interactions between sales representatives and primary care physicians involve a sample signature *without* product discussion. Reasons for this



FIGURE 2

Calls per week and minutes spent discussing products

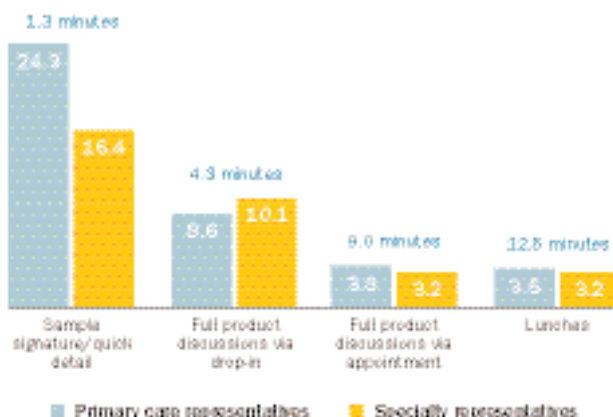


FIGURE 3

Trend in selling time (minutes per week)

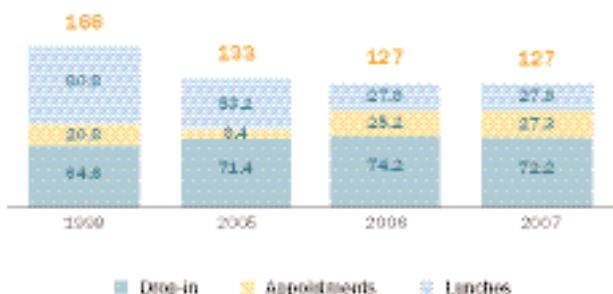


FIGURE 4

Frequency of detail by type of visit in 2007

(Physician reported percentage of calls)

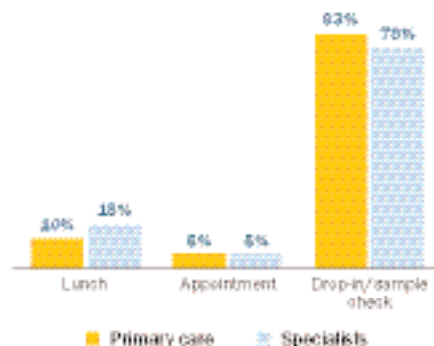
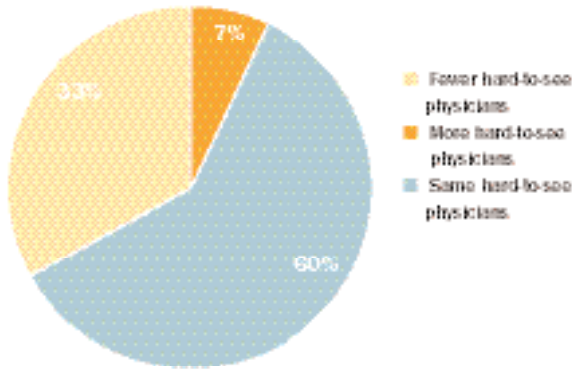


FIGURE 5

Trend in hard-to-see doctors

2007 vs. 2008



Changes in engagement

What changes have you observed in the last one to two years in terms of your ability to engage your customers in dialogue about your product?

LESS ACCESS

- Lunches so abundant – you get less time, and lunches don't always ensure access
- Physicians are busier; have more patients
- Less attendance at dinner programs
- Have to schedule lunches or get no access at all
- More offices with rules regarding access
- Less time

SKEPTICISM/RELUCTANCE TO ENGAGE IN PRODUCT DISCUSSIONS

- Feeling by physicians that there's less new data
- Only want new data
- Physicians less receptive to hearing about older products
- Harder to engage in discussion; only want samples
- More skepticism about messages and the value of company sponsored clinical data

MORE MANAGED CARE AND CONSUMER INFLUENCE

- More aggravation with managed care formularies
- Formulary status plays a much larger role in prescribing
- Prescribing is more patient/consumer driven

MORE COMPETITION

- More competition with other products
- See less differentiation between products

FIGURE 6

Thinking of the most difficult to see and hard-to-see customers in your territory, in what ways do you think they differ from easy-to-see customers?



include: physician time constraints and the perception that there is less “new product information.”

The typical representative today:

- Manages a territory of 127 miles, with 152 target physicians.
- Promotes two to three products that have been on the market for at least three years.
- Has been in her territory for more than three years and in the industry for more than 10 years.
- Conducts 41 physician calls per week and 42 additional calls on staff, including nurses and reimbursement or billing managers.
- Conducts, on average, 3.5 lunches per week and 1.6 dinner programs per month.
- Receives \$8,100 in discretionary funds each year to spend on these territory programs.
- Received nearly six weeks of initial sales training and receives updated product training every six to 12 months, and spent over 20 days in training in the past year.
- Is satisfied with job responsibilities and the ownership that comes with being a sales representative, but wishes for increased free time, salary and recognition.

Delivering value in the eyes of your customers

What's the best way to overcome access barriers? Consistently deliver value! To figure out what this means in today's complex and competitive market, we asked physicians to describe the representatives who

FIGURE 7

How satisfied are you with ...

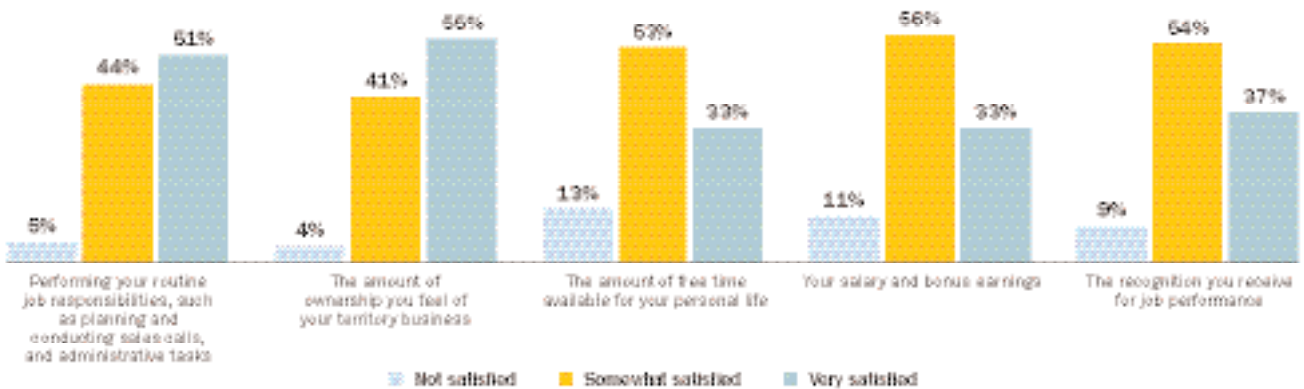
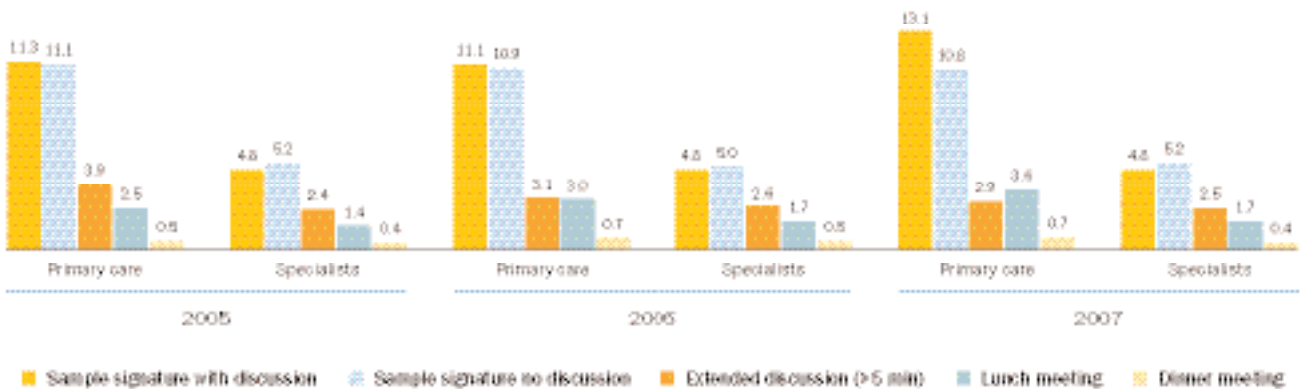


FIGURE 8

Physician interactions per week



“get what physicians want.” They described these representatives as professional, knowledgeable and responsive. In the customers’ eyes, these stellar representatives are:

- Knowledgeable about their own products. They can answer questions and provide access to additional data when needed.
- Patient-focused.
- Knowledgeable about local formularies.
- Interested in service to the office.
- Generous with samples and respond promptly when called for more.

In addition, they:

- Use reprints and journal articles to back up facts.
- Present their own product in a fair manner and are open about comparing it to other products.
- Conduct balanced presentations – they recognize the limitations of their own product and do not “bash” the competition.
- Understand clinically what they are talking about and possess good disease knowledge.
- Respect physicians’ time – they are brief and do not present the same material over and over.

yourself on the 10 distinguishing characteristics of representatives who “get what physicians want.” Be honest, and if you can’t be unbiased, ask your manager, a peer or even a customer to help. Make a prioritized list of areas you want to develop and get to work on this today.

Then put yourself in your customers’ shoes! Think about what it is like to be a physician treating patients. Think about what it is like to be a patient with the condition your disease treats. The best representatives can tailor two-way product discussions with their customers because they can visualize the clinical *implications* of what they are discussing.

We all know that access to high-prescribing physicians continues to challenge the industry. Still, some representatives succeed while others do not. The most satisfied and successful representatives today are focused on delivering customer value first, and know that access will follow.

Rayna Herman is a principal with Health Strategies Group, a Lambertville, NJ-based research and consulting firm. She leads the firm’s sales force-effectiveness practice, which provides syndicated services and consulting support to sales executives. She has been in the industry since 1991.



Concluding notes

What can representatives do to become more successful? First, assess