

WHITEPAPER

# Enhancing Sales Force Effectiveness in Pharmaceutical Companies: Strategies for Success

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# Introduction

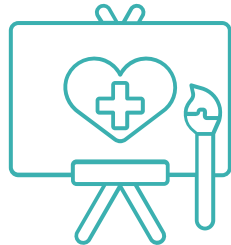
In the highly competitive and dynamic landscape of the pharmaceutical industry, sales force effectiveness (SFE) plays a pivotal role in the success of companies. Pharmaceutical companies rely heavily on their sales force to promote and sell their products to healthcare professionals (HCPs) and institutions. The ability to effectively engage with customers, deliver persuasive messages, and build strong relationships is critical for achieving sales targets and maintaining a competitive edge. In an increasingly digital world, the relationship between marketing and the field sales force must inevitably grow closer and become even more agile as the industry as a whole adapts to the multitude of information and communication channels in everyday use.

As customer expectations pivot from a multi-channel to an omni-channel experience (discussed briefly in this paper), the imperative for a universal 360-degree view of the customer grows ever-stronger.

This article explores the key challenges faced by pharmaceutical sales and marketing functions and presents strategies to enhance SFE. It then outlines practical steps to leverage data in an increasingly digital world.



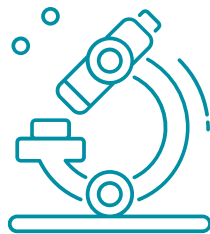
# Challenges Faced by Pharmaceutical Sales Forces



**Evolving  
Healthcare  
Landscape**



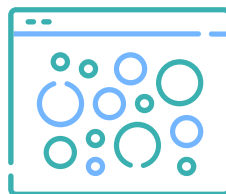
**Factors Limiting  
HCP Access**



**Complex Products  
and Scientific  
Information**



**The Transition from  
Multi-Channel to  
Omni-Channel  
Experience**



**Rising Competition**

## Evolving Healthcare Landscape

The pharmaceutical industry operates in a constantly evolving healthcare environment. New regulations, payer policies, and advances in technology impact how products are marketed and sold. Digital channels have expanded significantly, fuelled by necessity brought on by the Covid pandemic, and many healthcare professionals are finding that they have to adapt quickly.

Similarly, sales and marketing functions must stay updated on the latest trends, cooperate and adapt their strategies accordingly.



## Factors Limiting HCP Access

Physical access to healthcare providers has become increasingly challenging due to time constraints, restrictions imposed by healthcare institutions and the increasing adoption of digital channels. The situation is exacerbated by a shortage of healthcare professionals.

According to the BMA web site: in England alone, there are 2,133 less fully qualified NHS GPs operating as of June 2023 than in 2015 (source: BMA web site “Pressure in general practice data analysis”), whereas the Office for National Statistics web site estimates the population of England as of 30<sup>th</sup> June 2015 to be approximately 54.8 million rising to 56.5 million as of 30<sup>th</sup> June 2021 (the



latest available figures). The other UK countries are facing similar challenges, albeit on a different scale.

We should not be surprised, therefore, that GPs are facing increasing workloads and with this in mind, pharmaceutical companies need to find innovative ways to engage with prescribers with content that is relevant to them and build rapport, despite limited face-to-face interactions.



## Complex Products and Scientific Information



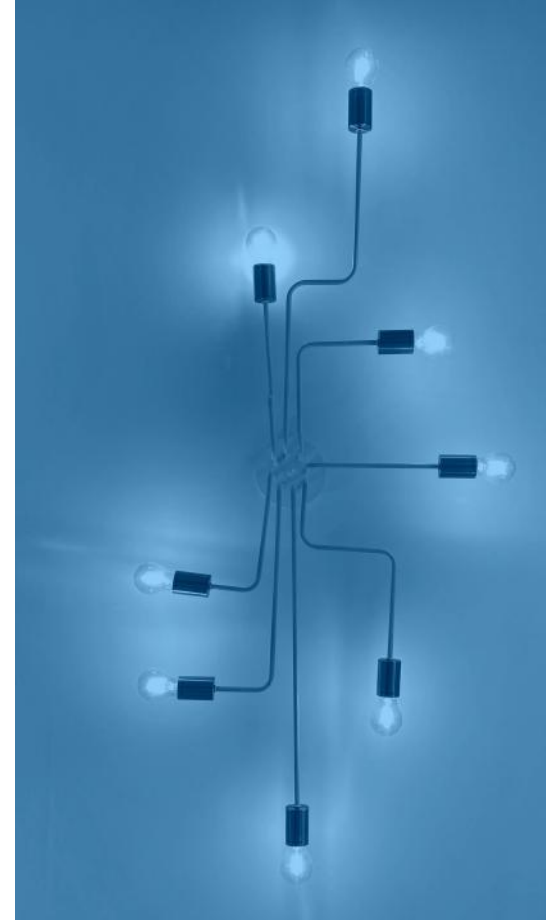
Pharmaceutical products often involve intricate scientific data, which can be challenging to convey to non-specialist healthcare professionals. Sales representatives must possess deep product knowledge and the ability to communicate complex information effectively. Similarly, digital content must be tailored for its intended audience, and that audience must be understood – one-size simply does not fit all.

# The Transition from Multi-Channel to Omni-Channel Experience

Multi-channel communications with HCPs have existing for some time, however digital-savvy customers now expect vendors to provide an Omni-Channel experience. This implies a single, joined-up relationship, irrespective of the channel or mix of channels used over time.

This is only possible if data relating to all interactions with HCPs, via all channels and in both directions, is available internally as a single, trusted source - known as a 360-Degree View of the Customer or a Single Customer View. Most well-established companies have work to do to break down the silos of data required to build this 360-degree customer view; particularly as digital channels have proliferated very quickly.

This is because data systems have generally evolved to serve transactional needs based on much simpler business models.



## Rising Competition

With an abundance of companies vying for market share, pharmaceutical companies face fierce competition. They need to differentiate their products from competitors, demonstrate value to healthcare providers and find a way to stay front-of-mind.



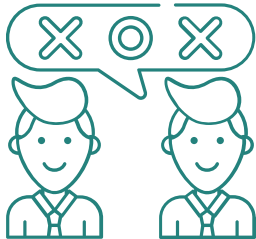
# Strategies to Enhance Sales Force Effectiveness



**Taking a Data-Driven Approach**



**Continuous Performance Evaluation and Incentives**



**Key Opinion Leader (KOL) Engagement**



**Compliance and Ethics**

## Taking a Data-Driven Approach

Rich data is fundamental to SFE, especially in an increasingly digital world. Companies can use customer relationship management (CRM) data to track interactions and combine this with insight gained through sales figures, digital marketing channels and 3<sup>rd</sup> party data sources, enabling more personalized, and relevant, engagements with healthcare providers.

It should be the goal of all pharmaceutical companies to create a comprehensive 360-degree view of all HCP interactions, associated sales figures and marketing activities, digital or otherwise, across all channels. This should be available in a form that is appropriate for data analysis. This is likely to require some significant data engineering and modelling.

Data-driven decision-making built upon this 360-degree view is essential in enhancing sales force effectiveness. In addition to internal data sources, analysing market data, prescribing patterns, customer feedback and sentiment towards your product (via surveys and social media) can help identify opportunities for improvement and tailor sales and marketing strategies accordingly. Similarly, sales and marketing functions must stay updated on the latest trends, cooperate and adapt their strategies accordingly.



## Continuous Performance Evaluation & Incentives

Regularly evaluating the performance of sales representatives is adopted by almost all pharmaceutical companies for identifying areas of improvement. Indeed, early SFE reporting was based almost entirely on this.

Companies should establish clear performance metrics and reward high achievers with incentives, whilst fostering a culture of motivation, coaching and continuous improvement.

Despite the maturity of this approach, it is not without its problems and careful thought should be put into the metrics

themselves. Focusing on a simple revenue number alone is likely to be divisive without considering the potential for a particular territory. Incorporating external data sources to add context to revenue numbers is likely to reap rewards, both in terms of motivation, growth potential and effective utilisation of marketing and sales resources. Measure what is effective, not what is easy.





## Key Opinion Leader (KOL) Engagement

Collaborating with influential KOLs can significantly impact a pharmaceutical company's sales success. KOLs can advocate for products and influence the prescribing behaviour of other healthcare providers. Engaging with KOLs can also provide valuable insights into market trends and preferences.

KOLs do, however, represent another marketing channel with its own line of go-to-market expense and should be monitored accordingly.

KOL activity, e.g. conference speaking, online commentary, publishing of papers etc., should be treated like any other campaign activity and data about them should be incorporated into sales and marketing analysis, with activity dates, to look for causal effects in order to determine effectiveness. It is also valuable to a sales force to know if, where and when KOL activity has taken place.



## Compliance and Ethics

Maintaining high ethical standards is essential for pharmaceutical sales forces. Adhering to regulatory guidelines and compliance ensures credibility and trust with healthcare providers and customers. Of course, compliance relating to data-related activities plays an important part in this and effective data governance should be an inherent part of any data strategy.



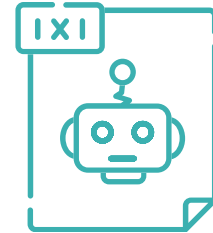
In recent years there has been a significant increase in the importance of Environmental, Social and Governance (ESG) behaviour. Whilst not directly related to SFE itself, it is important that sales and marketing have available verifiable messaging and metrics which lend credence to any ESG claims. Without supporting data companies can be accused of “Greenwashing”, which can have a major reputational impact.



**Creating a Customer and Product 360 Degree View**



**Incorporating Third Party Data**



**Applying Advanced Analytics (AI/ML) – Practical Examples**



**Segmentation and Targeting**



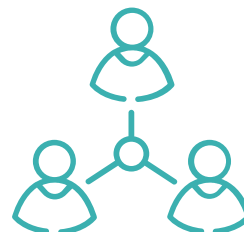
**Understanding HCP Channel Usage**



**Optimisation**



**Next Best Action**



**Collaboration Between Sales and Marketing**

## Creating a Customer & Product 360 Degree View

This is a problem that has been described for over 30 years and remains a challenge today. One major reason for this is the fact that change is inevitable and should be a design feature. Business models, regulations, routes to market, information systems, available data sources, narrowing windows of opportunity and just about everything else associated with the operating environment are subject to change on an ongoing basis. Traditional approaches to building and maintaining data environments have simply not been flexible and agile enough to accommodate this.



Cloud technologies, modern agile approaches and a changing relationship between IT and business functions help significantly and, if applied correctly, ensure that effort is focused on delivering business value in a timely manner rather than simply constructing and keeping the technology running.

## Incorporating Third Party Data

Changing attitudes to sharing data, especially by government, has opened up new opportunities for rich analysis.

It is desirable to know, for example, what share of market you actually have via any particular HCP as this will determine your communication strategy on a case-by-case basis. This is ascertained by incorporating prescription data into your analysis.

Europe has lagged behind the US in terms of making anonymised health data available to pharmaceutical companies but since 2012 the NHS has published prescribing data by practice

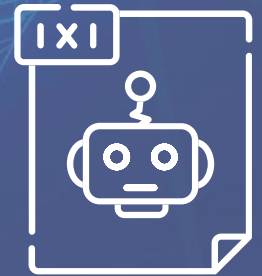


and other useful data sets have become available, opening up the possibility of richer analysis around relative market position and need, for example. These are valuable inputs to the SFE and digital marketing processes.

Many GP practices will have multiple HCPs associated with them and targeting messaging at the practice level is unlikely to be particularly effective. SDG has therefore developed analytical modelling techniques to infer individual HCP behaviour within a practice (or other level of aggregation). Monitoring the impact of targeted messaging to specific HCPs on prescribing behaviour at the aggregated level allows fine tuning of the model.

Third party data can also include information derived from social media, such as positive or negative sentiment towards your product or that of a competitor. There is also a wide range of survey and other data available from specialist providers.

## Applying Advanced Analytics (AI/ML) – Practical Examples



Once a high-quality, comprehensive and trusted source of data has been created it is possible to go beyond reporting and dashboarding to derive rich insights through the use of advanced analytics, i.e. artificial intelligence (AI) and machine learning (ML). Whilst these terms are often used interchangeably, they differ in their approach but that discussion is beyond the scope of this paper.

**Typical commercial applications for advanced analytics include the following:**

### Segmentation and Targeting



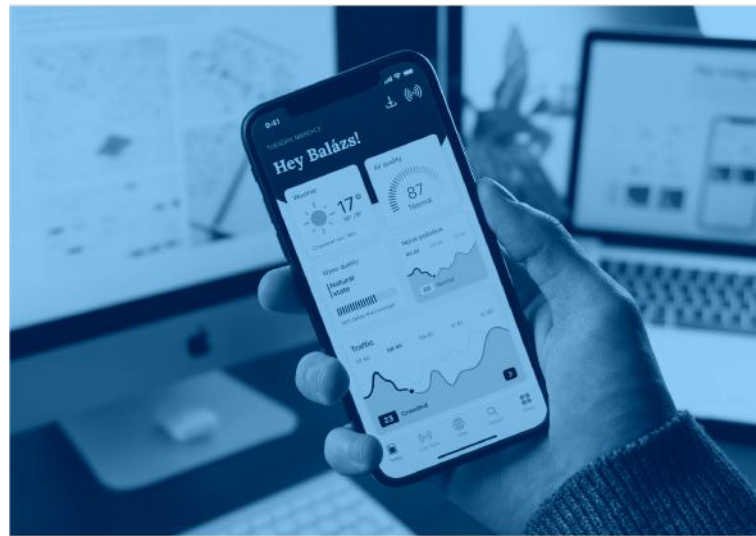
Targeted marketing starts with grouping your audience by common characteristics and/or behaviour. This is known as segmentation. Pharmaceutical companies should segment their target audience based on specific criteria, such as prescriber specialties, patient demographics, and market potential. By targeting specific audiences with personalised messages, companies can optimize their marketing and sales effort to

achieve better results. With a wide range of data available from both traditional and digital channels, coupled with third-party data sources, sophisticated segmentation strategies may be implemented to enable finely-tuned and efficient messaging.

## Understanding HCP Channel Usage

It is important to ascertain which channels are most commonly used by different healthcare professionals if communication is to be effective. It simply cannot be assumed that just because a channel is available that it is universally being used.

SDG recently did some work with a pharmaceutical company to group HCPs by, amongst other things, the channels that they tend to interact with (including phone, email, text, web, apps etc.). Interestingly, the data revealed quite different results to those that the sales force themselves suggested, showing that it is very difficult to exclude assumptions and bias from human input.



## Optimisation

This is another common application for advanced analytics. In our context, this involves calculating the optimum way to deploy resources in order to maximise a specific outcome; generally, revenue, profit or interactions in the case of the commercial pharmaceutical arena.

A practical application of this is to help to balance the distribution of marketing spend across



channels in order to achieve the desired objective for the least cost. This has become particularly important as the range of channels has expanded but channel adoption, as mentioned above, should be an important consideration made available to the optimisation algorithm.

## Next Best Action

This topic will be covered in more detail in another paper however it is worth noting here. Next Best Action is a term that refers to applying advanced analytics to determine the most appropriate action to take with a specific prospect at that moment in time. It is commonly used to drive automated actions in the digital domain or to inform a sales person who they should contact based upon a likelihood of a successful outcome.

It currently represents the pinnacle of SFE capability.



## Collaboration between Sales & Marketing

Close collaboration between sales and marketing teams is essential for effective product promotion.

The marketing team can provide sales representatives with compelling and targeted promotional materials and messaging, aligned with overall brand strategy, and it is important that the sales team is able to see what marketing activities have taken place on their territory. This is especially pertinent in the case of digital marketing as it is often possible to determine whether the HCP engaged with the content.



## Conclusion

In conclusion, SFE, coupled with multi-channel marketing, is integral to the success of pharmaceutical companies. In today's increasingly digital world, an omni-channel strategy is crucial to providing an optimised customer experience. This can only be achieved by taking a data-driven approach built around a 360-degree customer view. With this trusted source of data, advanced analytics can be deployed to provide sophisticated customer segmentation, allowing targeted messaging and inferring appropriate automated and sales force actions whilst optimising marketing and sales costs.

Moreover, maintaining and demonstrating compliance whilst adhering to ethical practices will build credibility and trust, further bolstering sales efforts. With a focus on agility and continuous improvement and adapting to changing market dynamics, pharmaceutical sales forces can stay ahead in a rapidly evolving industry.

### About SDG Group



SDG Group is a **global data and analytics consultancy**. We count **8 out of the top 10 global pharmaceutical companies** amongst our customers (as are a number of smaller life sciences companies) and we help many of them to solve the challenges outlined in this paper.

If you would like to discuss issues that you are having in these, or related, areas then please email [infouk@sdggroup.com](mailto:infouk@sdggroup.com) and mention the reference **SFE1** so that we can arrange a free no-obligation consultation.



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