



Is Pharma drifting further away from their customers?

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The 30 Year Drift

I joined the Pharma industry as a GP rep back in 1997 leaving the NHS to find new challenges. I was not prepared for what I observed in my first year.

The onboarding and training were awesome, the camaraderie, competitiveness, will to win was instilled. I felt prepared and motivated to be the best rep I could be. 6 months later I was questioning my decision. After a solid period out in field I was starting to see a different reality to the one the company was articulating. Access on my territory was notoriously bad, but I was getting through, and my sales took me from 48th to 4th on the leaderboard. However, I was breaking the company rules knowingly, and chasing the business potential and not my call rate. It eventually caught up with me and left me with a very confused view of the industry. I asked my manager what was more important, sales or call rate? Their response was “Call Rate!”. They were employed by a contract salesforce organisation, so I guess it makes sense that this was their primary KPI. It was not mine and neither was it my customers.

“Sitting in a GP practice waiting, I noticed there were more reps than patients. This was a common occurrence.”

I chose to find a new career direction within the hospital space outside of Pharma with no plans to return. I worked in capital equipment, and then in blood products, both roles operating true KAM models. It put me in front of hospital CEO's, procurement, directors, and plenty of other customers not on Pharma's radar. I was influencing, networking, binding, connecting, listening, growing, selling, losing, learning, negotiating, and winning for myself, my customers, their patients, and my company. The one thing I was not, was a KSM delivery tool, we were problem solvers. Our focus was to make both our customers and our P&L work together. Enterprise Partnerships that last. Then Pharma came calling, they wanted my newly developed skills to launch their entry into Oncology. What started as a refreshing change quickly became a reminder of the past. Call rate is King!

I remember my GP days where there were regions with 6-7 reps and some regions had 2-3 teams and some included a contract team. In total a region could have up to 30 reps all selling the same drug, targeting the same customers. This to me was not sustainable, turns out I was right. The spray and prey model of 30 years ago was never going to last.....

Jump to 2022, what has changed? And importantly why has it changed, or to be provocative, not changed at all? Access remains a key issue for pharma still today. Every company is fighting for airtime with customers and that airtime is like a waterhole in a drought, rare.



Over the years, I have become very anti call rate as a primary KPI, and the realization that this would inevitably be career limiting was not incentive enough to conform. Call rate being the unspoken No.1 KPI has always led to a transactional experience for the

customer, worse for the rep. The behaviors it encourages are the antithesis of what most pharma companies state is their purpose, mission, or vision. I have applied what I had learnt and seen it work exceptionally well. It made a difference when we put customer insight, value and business potential at the top, and made activity metrics hygiene factors. Sales dramatically increased, access was not the issue at team meetings, solving customers problem was. The culture changed positively too. However, we consistently came up against more senior leadership becoming uncomfortable and defaulting to activity metrics being the lead indicator for sales. This was an interesting behaviour if you consider our success was paying their not too insignificant bonuses. It's a quite self-limiting environment that I know many reading this will feel familiar.

“Pharma is at risk of becoming more distant from the core needs of customers as it invests in more and more capability based on internal assumptions.”

Access is not getting any better and then along comes a pandemic. As if things could not be made any more complex. Covid well and truly held up a mirror for the industry to look deeply into as the prime opportunity to transform but seems to be generating increasing complexity instead. The new king on the block is Engagement Rate, Email Opening Rate, Click Throughs, Sign Ups, Invite Accepts, Interactions any Interaction.....

What about Unsubscribe Rates, No Shows, Deletes, Doors Closed, DNSRs.....? More importantly why? Why are we not asking WHY???????

Rather than watching a water hole dry up, should we not be investing in understanding the drivers behind the decline. Get into their world and out of ours to truly understand what is valuable to them. What can we bring to the table that is valuable to all those in the ecosystem? Everyone thrives when a water hole is full, it fills other waterholes, creates opportunities for everyone. If you think along these lines, you may get into the conversation that is valuable to both customer and company, build lasting partnerships and impact patient outcomes.

“For an industry whose innovation is relied on by all of us, why does it spend so much making everything so complicated, that it has to spend so much trying to decipher the nonsense it creates?”

Pharma is like a pyramid, only that it's upside down. If you visualise it in this way, you start to see that there is a significant amount that needs to be invested trying to keep the pyramid stable and prevent it falling over. If you think omni-channel, pharma is investing huge amounts into this space. However, its headed into the same conundrum, everything down every channel, hoping something sticks. The driver is the actual customer insights are not robust enough to support this approach. The industry is at risk of overwhelming customers to the degree they just disengage and hit 'unsubscribe'.

We have clients who had their field forces tasked with collecting more and more information, segmenting, profiling and re-profiling their customers. They were being distracted from the core purpose of their role. On top of that, they simply do not have access to every customer and those they do, they have varying levels of depth and significant bias attached to the information that is returned. Pretty risky way to invest. The opportunity cost of your most expensive asset is out there not doing what it is supposed to is significant. We are helping them transform this by finding better solutions to bring depth, breadth and speed into collecting deep customer insights that enable them to point their resources right at the biggest opportunities, understand the value they need to deliver and execute to exactly that. Building a pyramid on the foundation of deep customer insight. It requires a change mindset and significant change management, it is not a comfortable journey for many. Those that choose to embark are now seeing their world in a very different light. The opportunities themselves can be overwhelming to start, but once the prioritisation process starts moving, it becomes uncomplicated.

Ask a sales rep today what their job entails, you may be surprised by those willing to be honest, selling may not be the key word that comes through. In a small survey, 80% of sales reps responded saying they were more comfortable missing their sales target than their call rate. It is an interesting insight that tells us a lot about the behaviors we

spend millions instilling? When did the last pharma CEO stand up in front of the shareholders at the AGM and proudly present the companies aggregated call rate, click throughs, engagements rates etc.?

Pharma Companies have two extremely important customers, shareholders, and prescribers. You would love me to say patients, but if you are not bringing value to their script writers, you are just financing your competitor's success. I suggest companies transform their thinking to encapsulate those two customers, understand their needs and build everything around that.

A company that is willing to put investment into transformation from a customer first foundation will start to quickly realise how much they can divest in other areas. Not only would this be a cost neutral option, but likely go further and impact both lines of the P&L positively. In this case both customers, shareholder and prescriber will be motivated. The end beneficiary, the patient will win today, tomorrow, and way out into the future.

