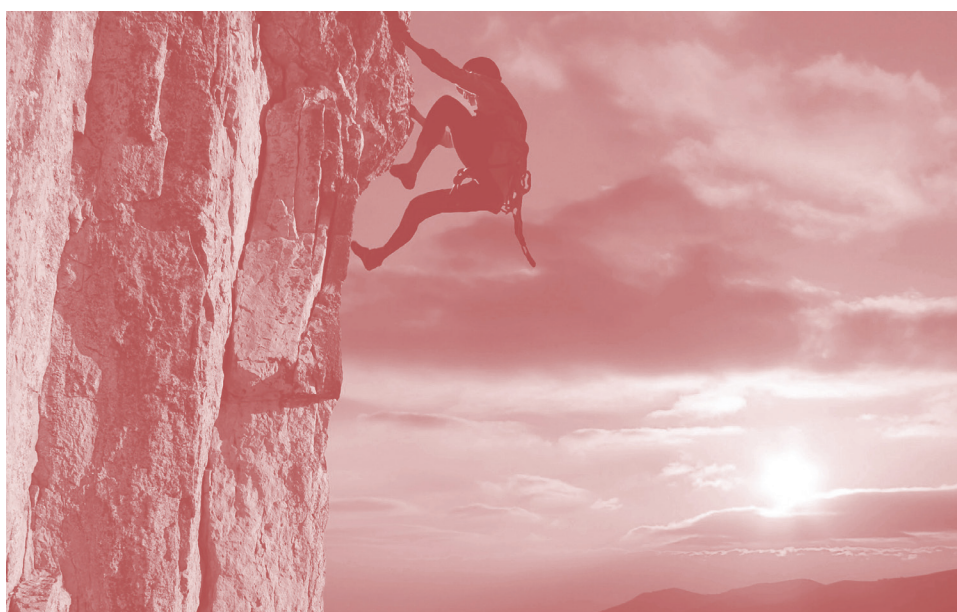


## Is In-clinic Productivity a corner stone for Achieving Growth Numbers?

- Ruth D'Souza



*The pharmaceutical industry is believed to be a stable industry by many analysts. However, the reality is far from it. You can gain stimulating perspective on how you can get the much sought after growth the right way by tackling all challenges at the grass root level of the pharma field force. This article highlights the key issues challenging the industry today and also provides solutions to the tussle every CEO faces for delivering the desired growth numbers.*

Most analysts perceive the pharmaceutical industry as one of the most stable industries, certain to give consistent returns and growth even in a turbulent environment. The reality however is different, resulting in sleepless nights for many CEO's faced with the struggle to deliver growth numbers quarter on quarter and year on year! The slowing industry growth is compounded by the pressures of intense competition, the bargaining power of customers, the talent crunch and the trust deficit with society. In such a situation, it is often a temptation to get into profit protection mode with a focus on survival. However, this may be the very time when CEO's need to examine their options to grow the business, tackle competition and improve profits. Improving profits can be driven either by a cost saving exercise or a focus on increasing revenue. While costs can be reduced, though only up to a point, revenue generation should be the mainstay of growth.

### **The "In Clinic" transaction**

Over the years, any industry observer would accept that there has been a decline in the quality of the "In Clinic transaction". The exposure of products to customers has to be done now in merely a minute with the MR having to complete the task of launching new products, promoting key brands and ensuring major products prescribed by the doctor do not lose emphasis. There are many factors which have contributed to this decline.

### **Free choice or forced choice?**

Foremost among which is the lament about how this industry is not an industry of choice, but most end up out of NO choice! Unlike the FMCG, IT or even Call Centers, this industry ranks way below others in its capacity to attract talent at the entry level. The MR's job involves long hours, carrying heavy bags laden with samples, making calls on doctors who are difficult to meet and who often have scant respect for the MR, combined with a

remuneration that is lower than other entry levels in other industries. The talent crunch has resulted in companies compromising on education standards at entry level with many organisations who used to consider only B.Pharm or MSc graduates earlier, now settling for BA's or even undergraduates. For these recruits, understanding pharmaceuticals and science is in itself a huge challenge with the resultant dropping of the quality of communication and interaction in the doctor's chamber.

### **Induction or orientation?**

Recently while launching its new training package "INTERACT™" in order to get a better insight, Interlink conducted a detailed research among both MRs and Training managers. The findings were interesting:

1. In the survey of the Training managers, it emerged that the induction training has undergone a major change in the last 20 years. Induction training used to be conducted for a period of 21 days to 45 days depending on the company. A minimum of 3 weeks time used to give the MR a strong foundation of knowledge on the anatomy, physiology, therapies, market information, understanding of competition, product features and benefits along with various skills like detailing, territory management, selling, handling objections, probing and closing. Equipped with this solid foundation the MR could enter the doctor's chamber confidently and discuss the therapy and product promoted intelligently, earning the doctors respect and confidence.
2. What is the status today? On an average the induction training has been reduced to 7-10 days due to pressure of filling vacancies and the 30% attrition challenge. In these 7- 10 days, the entire focus is on equipping the MR with product knowledge and basic soft skills like communication and listening but with low focus on 'selling'. Obviously constraints of time lead

to compromises and so training managers are forced to deliver the minimum for enabling an MR to work in the field. The focus here is on “urgent” aspects leaving more important issues aside for sheer lack of time. Our survey reports that with the added problem of compromise in entry level recruits, it is indeed a challenge for training managers to get MR’s to even understand basic terminologies in anatomy and physiology. Hence most of the induction time is spent on getting them to pronounce some key words essential to present themselves in the doctor’s clinic.

3. Another challenge is dealing with the profile in the customer of the pharmaceutical industry... Doctors are highly educated, professional, knowledgeable, with large practice and increasing demands on his/her time. If the MR is placed in this context, sometimes he/she cannot even pronounce medical terms effectively, let alone carry on an animated discussion on therapy or brand treatment options or patient issues with the doctor! Even if the MR can manage the basic “detailing”, he/ she is not equipped to deal with the doctor on an equal basis and the call ends up being a mere reminder. Not difficult to conclude why growth is an issue!

### **Attrition versus retention**

Pharmaceutical selling is a relationship based selling and definitely affected by attrition. Since it takes a while for a new replacement to establish a relationship with the doctor, valuable knowledge of the market, therapy and customer behaviour is lost. Current attrition levels vary from 20% to 70% with an average being 30% for the industry. Many factors lead to attrition including a sense of increasing frustration and loss of meaning in the job. MR’s who no longer take ‘pride’ in their profession, often have to cope with managers who emerge from the same talent pool with the similar issues of competence in managerial and leadership skills.

### **Does selling have a chance?**

Perhaps in the context of the branded generics competition, one has seen an increasing trend of CRM as a mainstay of pharma promotion. While this is a short term measure to increase revenues, the implications of such dependence need to be examined. First and foremost, the MR’s call ends up as a “service call” with the MR concentrating on checking with the doctor as to what “Service” does the doctor need. The call therefore becomes only a commercial transaction with most of the 1 minute available to the MR taken up by CRM leaving no time to focus on scientific promotion.

We have interacted with field forces who believe that without CRM there will be a drop of 30% in the topline and there is an increasing pressure on managements to increase spending on KOL’s. The implication therefore is a belief system that what works is “CRM” and there is no need for any other scientific promotion or selling or In Clinic performance. What gives results is the quantum and innovativeness of the CRM offered to doctors. CRM is not a cost that can be reduced overnight without affecting sales nor can one measure the return on such an investment made on a doctor. In fact, the competitive environment often sees companies offering greater “service” which means customer loyalty cannot be factored into stable business. In a system where competitive forces are fierce and reflected by frequent drop in prices, the increasing spending on CRM together with the new DPCO which has shaved off the top lines of “cash cows” of many large organizations. There is already a pressure on bottom line.

### **The growth challenge**

Government has now come up with ethical guidelines for marketing which are very stringent against providing gratification to doctors. The field force that is dependent on CRM will have to unlearn its beliefs and relearn new ways of scientific selling and communication. What then is the way out? Are there options to regain or

to improve the quality of in-clinic performance, increase the motivation of sales force and increase productivity? While all issues are linked, one has to begin somewhere. The solution lies in a gradual shift to ethical selling, a serious re-examination of the quality of the in-clinic transaction, a deep assessment of the effectiveness of induction training process followed by corrective measures. Only then will there be a change in the interaction from transaction based to science based. It is vital that minimum 3-4 days be spent in increasing the MR's pride in the profession and equipping them to interact with specialists/super-speciality doctors along with thinking on their feet which can only be achieved through a revamping of the induction training process. Restoring "Pride" to the profession, building the MR's competency to promote products WITHOUT CRM combined with a change in the promotion process and plans will not only reduce attrition and increase growth but also add to the topline.

#### **Interlink's INTERACT™**

Based on its consultancy, research and training findings, Interlink has launched "INTERACT™" – A new Learning tool to build capabilities of Medical Representatives. INTERACT™ is a comprehensive creative, fun, customizable, interactive and experiential video based training package aimed to facilitate in-company trainers to upgrade the

skills of Medical Representatives. The objective of INTERACT™ is to transform each medical sales professional from a mere promoter of products to a Brand Ambassador of company's values and equity! Given today's challenges pharma companies face, INTERACT™ is ideally suited for transformation of the mind sets of field forces, build pride in the profession and move them from transactional to science based selling, thus improving their In-clinic performance and contributing significantly to the top line of the organization.

#### **Conclusion**

In conclusion, the Indian Pharma industry is facing multiple challenges of poor resource pool of talent, curtailed induction training, high attrition rates, over-dependence on CRM activities for generating sales, fear of abolishment of CRM activities for Pharma promotion by the government and low profit margins. In wake of this grave scenario, it is time that the industry evaluate the probable solutions such as investing more time, effort and other resources in the induction training of new recruits with a view to equip them with knowledge and skills to enable them rise and shine in an ethical scientific promotion based marketing that appears to be around the corner.

#### **References:**

*Interlink Knowledge Cell*

*Ms. Ruth D'Souza, Executive Director of Interlink Marketing Consultancy, is a renowned management consultant and a motivational speaker. With the expertise and experience of over 3 decades in pharma, animal health, diagnostics, nutra & wellness space, she has spearheaded number of strategy consulting and competency development interventions at many NCs and MNCs to improve business performance of client organizations. She is also a regular writer on management.*