

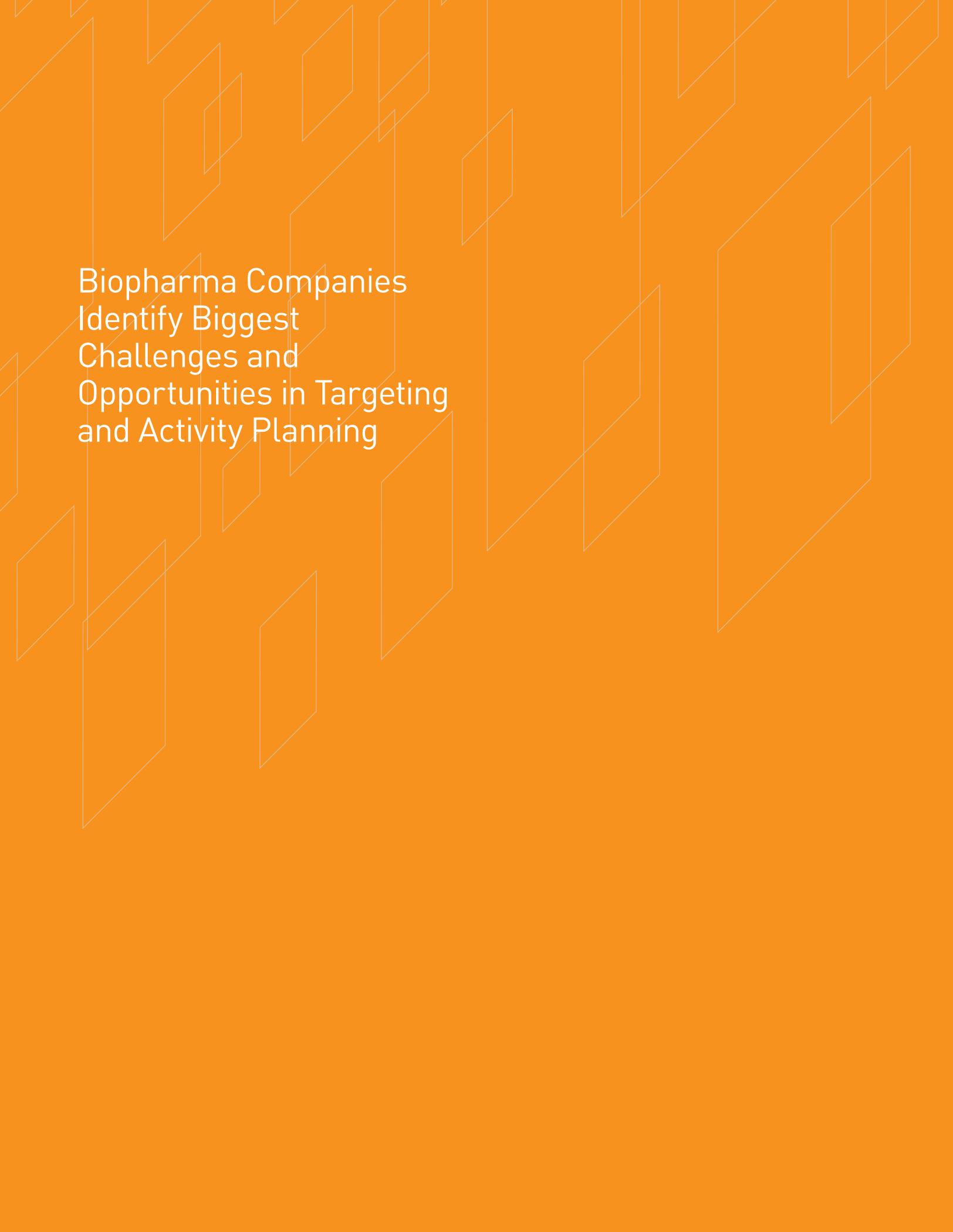


SALES + MARKETING

# Biopharma Companies Identify Biggest Challenges and Opportunities in Targeting and Activity Planning



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Challenges and  
Opportunities in Targeting  
and Activity Planning

In the biopharma industry, sales planning practices and processes have been slow to change. But as evidenced in the results of ZS Associates' "2015 Study on Biopharma Targeting and Activity Planning Practices," the glacier is suddenly starting to shift.

Sales organizations are moving faster in response to the accelerated world around them. They must now succeed even while performing in a fast-flowing current of power shifts (from individual physicians to organized provider groups), technology explosions (big data, social media, cloud and mobile) and changing customer preferences (multichannel and digital engagement). These are all starting to transform how we manage our business, how we sell and how we plan.

The roadblocks and opportunities in this new environment are well outlined in the responses provided to this year's survey. As we review the results, four themes emerge:



The "Study on BioPharma Targeting and Activity Planning Practices" surveyed 22 respondents representing more than 65 sales teams across various pharmaceutical and biotech organizations. Responses were collected through an online survey during the summer of 2015. Participants were asked about activity plan design and delivery, inputs and business rules, field refinement, call plan execution and overall satisfaction with the activity planning process, across different sales team types.

## FOUR THEMES

Let's explore these themes in more depth. We will also offer action items for companies wanting to take next steps to address the implications of these themes.



## THEME 1. A shift from traditional planning to account-focused planning.

**KEY STAT: 75% of organizations will be implementing strategic account planning within the next two years.**

There is a power shift in the healthcare industry, and it is impacting how biopharma sales organizations go to market. The physician, once the focus of nearly all promotion activity, is now part of a group of “organized customers”—hospitals, group practices, integrated delivery networks, accountable care organizations—looking for leverage to cut costs and improve profitability.

There is still need for traditional selling roles, but now many companies are bringing in account reps and even strategic account managers who focus on an entire hospital network as the customer. In such an institutional-engagement model, customers want to know not only that a medication works and is safe, but also that it is cost-effective.

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### STRATEGIC ACCOUNT PLANNING

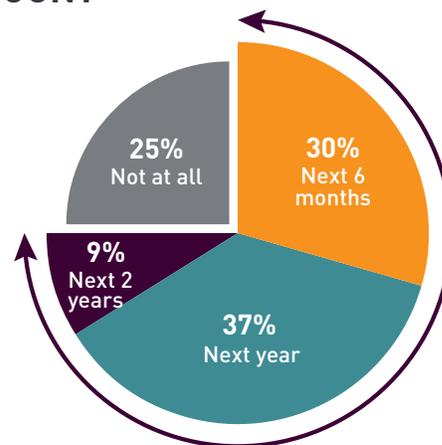


Figure 1: Are you thinking about implementing in the next six months, next year, next two years or not at all?

### Action Steps

**Critically evaluate who your real customers are. The shift from prescribers to organized customers makes it important to consider a strategic account planning approach.**

1. Identify the key objectives for each organized customer and determine the right tactics to achieve them.
2. Create a robust affiliations management platform to identify stakeholders in each organized customer and plan the right activities for them.
3. Plan 10% to 20% effort for relevant non-prescribers—other key influencers and decision makers—to help achieve the account objectives.

## THEME 2. Data availability and robustness need to improve.

**KEY STAT: 58% of organizations rated the quality of their affiliations or group practice data as being only of average quality.**

Our survey results suggest that biopharma sales leaders struggle with their existing affiliations data. Not only did they assign just average grades for the quality of the affiliations data they use during targeting and segmentation, but other metrics, like customer channel preferences, were used as input by less than a third of the organizations surveyed. (Most of the focus is on specialty and basic secondary data metrics.)

Why the data disappointment? This has been a growing challenge that few organizations have been able to tackle, in particular with respect to staying on top of ever-changing affiliations data. Robustness of affiliations data, either from third-party data vendors or from internal sources, varies, and reps are often inconsistent at maintaining the data on their end. In addition, data is often in pieces that must be cleaned and fitted together.

And that's the challenge. Sales organizations are ready to step forward and become more sophisticated in their planning—but current data quality and access doesn't support it.



Figure 2: What factors do you currently use for customer targeting and segmentation?

## Action Steps

*Look for innovative ideas and best practices from other business units (such as oncology), other industries or other countries that face similar challenges.*

1. Create a robust affiliations management platform. If your primary customers are accounts, consider an automated multi-domain master data management-based solution.
2. Triangulate and integrate across a number of different data sources, including secondary data sources (Rx, claims, PLD, internal sales) along with attitudinal data, rep input, influence, publications, access and promotion activity.
3. Focus on data that is critical during a product's life cycle. For example, early adoption patterns may be important at launch, and responsiveness to promotion information may be more useful during the product's growth phase.

## THEME 3. Multichannel activity planning is coming on quickly.

**KEY STAT: Only 25% of teams use customer preferences for specific promotion channels, but 69% indicate interest in leveraging channel preferences in the future.**

Activity planning has traditionally been built on cultivating the rep's 1-1 relationship with the doctor, and the measure of success was around the transaction—calls made and samples dropped.

Our survey suggests that the sales rep's role is evolving faster than may have been expected. A primary reason is one of necessity: [Access to physicians is being severely restricted](#). About half of physicians place moderate to severe restrictions on visits, compared with 23% in 2008.

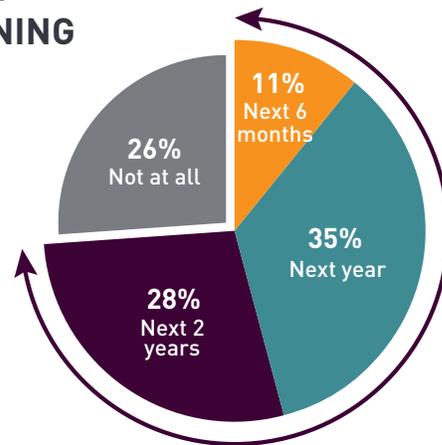
As face-to-face visits with prescribers becomes more problematic, sales organizations recognize they must become smarter in their engagement strategies. That's why 74% of respondents told us they will be implementing multichannel planning within two years, with more emphasis on determining how the customer wants to be engaged.

The implications for activity planning must extend beyond detailing. In the near future, planning will need to account for all channels—including traditional face-to-face as well as new and emerging digital channels—in order to create an ideal and custom plan for each customer.

Although most teams only plan calls at the moment, biopharma companies are seeing this as a potential differentiator in the future and recognize they must determine how to include all those multichannel tactics in the rep's activity planning model.

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## MULTICHANNEL ACTIVITY PLANNING



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Figure 3. Are you thinking about implementing in the next six months, next year, next two years or not at all?

### Action Steps

*Move to integrated planning across personal and non-personal channels, taking into account customer preferences to optimize all touchpoints by channel.*

1. Allocate effort more effectively across channels based on customer preferences to create a better customer experience and improve ROI on promotion spend.
2. Proactively plan non-personal promotion tactics for customers that reps cannot reach.
3. Evolve the field rep's role to include responsibility for influencing, planning and coordinating both personal and non-personal promotion.
4. Develop non-personal promotion plans for lower-value customers—those customers that are not typically targeted by the field force.

## THEME 4. Evolving approaches and processes will drive increased value from activity planning.

**KEY STAT: For 27% of retail sales teams, it takes more than six weeks for headquarters to create the initial call plan.**

Best-practice activity planning suggests organizations should be able to produce an initial call plan within three to four weeks. Taking up to six weeks to create the initial plan suggests to us a process problem.

For example, up to 20% of organizations do not allow reps to refine plans before they are published. This may seem like an efficiency but actually leads to challenges for both the home office and the field. Empowering field reps to refine the plan based on their intimate customer knowledge and insights leads to a more accurate and localized road map, one that the reps will more likely buy into and adhere to. Rep involvement also improves collaboration and coordination across field teams that call on the same doctors or work the same accounts. Those benefits all increase overall effectiveness of the plan.

Respondents also noted some dissatisfaction with the ability of their current processes to handle complex business rules. Then there is the problem of teams still using Excel or email to distribute activity plans. Best-in-class teams employ integrated software that maximizes efficiency, delivers message consistency and promotes accountability.

Finally, the results show that sales teams remain quite uncomfortable—or at least unprepared for—non-personal selling. Respondents reported they rarely account for it in the activity planning process.

### RETAIL SALES TEAM FOCUSING ON PCPs

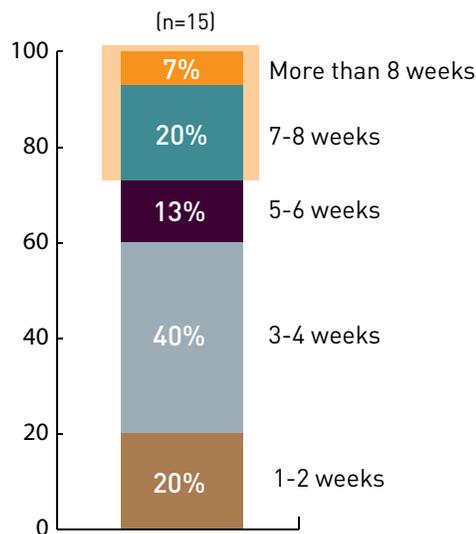


Figure 4. Please indicate in weeks how much time it takes to produce a typical activity plan, including all activities such as methodology, business rules, development and production, but excluding field refinement.

## Action Steps

*Reimagine the activity planning process to make it more efficient, holistic and dynamic.*

1. Where possible, simplify and automate the activity planning process to make it more efficient.
2. Engage the field for refinements to their activity plans to drive optimal customer engagement and gain buy-in.

## Summary

The industry appears largely in alignment about what the present looks like. But we expect these responses may look much different in the years to come as companies make the organizational and strategic bets required to increase competitiveness in this fast-moving industry.

In short, what lies ahead could mark a period of tremendous transformation for biopharma sales planning as its glacial pace of change turns into a swift-running stream.



## About ZS

ZS is the world's largest firm focused exclusively on improving business performance through sales and marketing solutions, from customer insights and strategy to analytics, operations and technology. More than 4,000 ZS professionals in 22 offices worldwide draw on deep industry and domain expertise to deliver impact where it matters for clients across multiple industries. To learn more, visit [www.zsassociates.com](http://www.zsassociates.com) or follow us on Twitter (@ZSAssociates) and LinkedIn.

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