



ZS ASSOCIATES

SALES & MARKETING INSIGHTS

# Quarterbacks, Orchestrators, Air Traffic Controllers: The New Activity Plan for Pharma Reps

ZS Roundtable on Pharmaceutical Rep Activity  
Planning

Moderator: Mike Powers

Participants: Steve Bull, Maneesh Chandra,  
Pratap Khedkar

It's not easy to be a pharma rep—and it's becoming harder to plan all the activities a pharma rep needs to do each day.

Access to physicians has become restrictive, and is sometimes impossible. Specialty drugs, customer consolidation and multichannel marketing are turning traditional sales models upside-down.

These shifts have made activity planning far more difficult than a few years ago, and far more critical. ZS Associates recently held a roundtable discussion about how market conditions are reshaping activity planning, and how pharma companies are responding.

## About the Participants

Mike Powers,  
Principal



ZS Associates,  
Princeton, N.J.

Mike leads ZS's Customer Targeting and Activity Planning practice. Mike has partnered with numerous pharmaceutical clients across all aspects of the sales-planning process from customer segmentation, targeting and sales force sizing to territory alignment, activity planning and incentive compensation.

Pratap  
Khedkar,  
Managing  
Principal



ZS Associates,  
Philadelphia

Pratap is ZS's Managing Principal for Pharmaceuticals and Biotech. He has advised many pharmaceutical and health-care companies on a wide range of sales and marketing issues, including multichannel marketing, marketing mix, promotion response measurement, managed-care issues, sales force strategy and incentive compensation.

*How do pharmaceutical companies create activity plans for their sales reps? Considering how the market has changed the last five years, it's becoming a difficult question to answer.*

*Even as the number of pharmaceutical reps has fallen the last five years, physician access has shrunk. According to ZS's annual Access Monitor report, only 55% of all physicians were deemed "accessible" in 2013, compared with 65% in 2012 and 77% in 2008.*

*At the same time, the pharmaceutical market has become more complex in ways that sales organizations may have difficulty navigating. Oncology and other specialty markets are complicating the sales model, while consolidation among customers into large group practices, hospital chains and integrated delivery networks (IDNs) force reps to confront greater complexity in their jobs, as they must reach numerous stakeholders and decision-makers.*

*Planning for a rep's day, week, month or year not only requires determining which customers to see and how many times to see them but also determining their activities and objectives.*

*Recently, four ZS experts participated in a roundtable discussion about current trends in activity planning. Participants included Principal Mike Powers, who heads ZS's Customer Targeting and Activity Planning practice, Principals Maneesh Chandra and Pratap Khedkar, and Associate Principal Steve Bull.*

*Mike Powers: Moderated the discussion, which is excerpted below.*

## Harnessing "a dynamic, ever-changing process"

**MIKE POWERS:** Activity planning is a dynamic, ever-changing process. What trends are having the greatest effect on how reps allocate their time and how activity planning is done?

**PRATAP KHEDKAR:** Reps are just having a lot of difficulties getting into doctor's offices. About half the doctors, maybe two-thirds, depending on certain specialties, are pushing back on unfettered access.

Now, when a product is new, reps add a lot of value. But for older products, physicians don't see a lot of new information, and overall,

Maneesh Chandra,  
Principal



ZS Associates,  
Princeton, N.J.

Maneesh is previous lead of ZS's Customer Targeting and Activity Planning practice. Maneesh has helped clients improve their sales force strategy, go-to-market strategy and outsourcing, and has worked with numerous pharmaceutical companies to optimize sales force design, promotional mix, call planning, territory alignment, incentive compensation, and sales and marketing effectiveness.

Steve Bull,  
Associate  
Principal



ZS Associates,  
Evanston, Ill.

Steve has extensive experience with pharmaceutical and biotech clients. His expertise has included working with pharmaceutical companies on activity planning, sales strategy, market research, sales force deployment, differential resourcing and program management for operations engagements.

they prefer to get product information online than from reps, at a rate of two to one. So planning for something when your customer doesn't want to see you is creating a lot of tension.

**MANEESH CHANDRA:** There's also this move happening toward specialty products—and the specialty product sell is complex. It's not only about providing product information, but supporting reimbursement, product dispensation and nurse training, patient education and other servicing needs. This change is also having a ripple effect on how business managers are approaching mass-market products.

**MIKE:** There's also the fact that the number of sales reps has decreased dramatically, from a peak of about 107,000 in 2006 to about 60,000 in 2013. So the sales reps who are left should generally be high-quality, high-performing reps. So can these reps do more, and be more strategic in how they approach customers?

**STEVE BULL:** I would think that they will have to, and sales leadership is already seeing the need to have their reps do more. As reps are less able to spend time with individual physicians, the need for this sort of "whole office" call arises. Leadership says, "OK, instead of making eight calls a day, we're going to take you down to six, and we want you to spend the rest of that time interacting with other folks in the office."

But I think there's still a gap there—companies aren't providing specific guidance as to how the reps should be spending that additional time.

**MIKE:** How do you think health-care reform has affected activity planning, either now or in the near future?

**PRATAP:** The most important consequence of reform will be changes to the commercial side, whether it's IDNs tying up with payers and forming commercial ACOs, or closer integration between those two. That type of customer requires moving from transaction-based activity to something that is much more holistic around the site of care.

One of my clients is doing a pilot where it's employing only a few detailing reps, many more of the account reps, and some strategic account management reps.

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And so the shift in the role itself means that instead of activity planning, you are planning objectives. You are planning entire conversations and dialogues over six to eight months, not just for tomorrow or this week.

**STEVE:** That's a trend that I'm seeing as well, especially with regard to IDNs. I have a client who is piloting a "quarterback" role, one person who's responsible for coordinating all of the activity for a specific delivery network. They're taking responsibility for getting the right reps and account executives in front of the true decision makers within the IDN, and doing so in a coordinated manner. It's a much more holistic way of covering these big networks than has been done in the past.

I don't think it's clear just yet how well it's working. But it's certainly something clients are thinking about.

## What's holding companies back?

**MIKE:** So what's holding companies back in implementing that kind of strategic activity planning?

**STEVE:** A lot of companies are still making their activity-planning decisions at a national level. So it's a matter of altering who makes the decision, and allowing for more ownership at a local or regional level. It's a challenge, because they're still set up to operate nationally.

**PRATAP:** There is also the matter of skill—not just the planning skill, but what to do when you actually meet the stakeholders, many who are not doctors. And reps will have to get much smarter about how they use the remaining 20, 30 channels. The power comes from coordinating channels—that is exactly why activity planning is so important. It's going to be maybe almost two different types of reps with different types of activities, planning tools and infrastructure support.

**MANEESH:** Multichannel marketing is definitely on the minds of our clients. However, a lot of business managers are still grappling with its associated complexities.

A way to avoid getting bogged down is to clearly define the current state and the end goal. By defining interim steps and milestones from the current state to the end goal, the problem becomes less daunting.

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**STEVE:** One thing I would say is that a lot of companies are still on these long planning cycles, but they want to be more nimble. Sometimes, as things change in the local environment, they can't react to it quickly enough to reallocate resources. That's something that I'm seeing my clients struggle with.

**MIKE:** So based on these trends and these changes, what are some of the successful or novel approaches to activity planning you've seen?

**MANEESH:** One thing I've seen more recently is an increased interest in evaluating activity planning at the "account" or "location" level rather than at the individual prescriber level.

This is also impacting views about who is the customer. This doesn't mean that activity planning or the importance of quantity of activity will go away. If you look at other industries, most would agree that quantity of activity does matter even in those situations.

The other thing that companies are doing is challenging the definition of activity. What is a call? What is an account visit? How do the two relate? Which is more relevant?

## Moving beyond call numbers in activity planning

**MIKE:** One interesting approach I've seen involves improving the quality of the activity planning itself, and moving it beyond the number of calls to deliver and the products to promote. They're assessing the barriers each rep is facing with a particular customer or doctor, and where each doctor is in terms of his or her adoption of the product.

This means sales reps can have a strong conversation with their first-line managers, and talk about strategy a little bit more than just talking about reach and frequency. "Why am I struggling with this customer? And how much progress have I made with this customer?"

It's not a major change to how they do activity planning. But it's a really valuable change to have more strategic conversations when they go through their activity-planning and field refinement processes.

Another interesting thing I've seen is related to multichannel marketing, which involves incorporating multiple channels into call plan refinement.

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**PRATAP:** One company I work with actually started incorporating multiple channels into activity planning almost a year and a half ago. And I think it was really interesting. Because it means having reps be informed about what else is touching the customer, *their* customer.

If a rep knows one of his or her customers is getting a lot of emails that the customer is opening—but the reps always had difficulty seeing the doctor—maybe the rep should stop banging his head against the wall and come up with a way to better use his time doing something else.

**STEVE:** And when you talk about where to start and what the end vision might be, providing that visibility, so reps can see what is being done through other channels, is often the first step. That alone can provide a huge benefit. But I don't think a lot of companies have taken that step.

**PRATAP:** That leads into the second point. If a rep sends the email, it's six times more likely a doctor will open the email than if the company sends it—5% compared with 30%. So you can see that the customer engagement, the customer experience, is leveraging the rep relationship. And so it's almost like we're not talking about call planning anymore—it's planning the customer experience.

**MIKE:** That's interesting—I've started to hear that with our clients talking about customer engagement planning or customer experience planning. They want to think of it more holistically, and more from a customer-centric point of view. Because they are seeing "value" in things like the example of doctors opening up emails sent by reps.

**MANEESH:** It also requires a big change of mindset—this means moving from an elaborate planning process to on-the-go planning. It's a big change. You need processes that are flexible that take into account the guidance of the person interacting with the customer. And you need to have it on the go. It cannot be planned three months in advance because it's a moving target—your customers are not standing still.

There's also a lot of upgrading of skills that are necessary to do that. Sales reps would need to behave more like local marketers.

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## Quarterbacks, orchestrators, air traffic controllers

**MIKE:** What are your thoughts on what rep activities—and activity planning—will look like in the future?

**PRATAP:** In the short term—I'm thinking five years—for the kinds of things we're discussing with multichannel, I would say that reps become a customer coordinator or quarterback, as Steve mentioned earlier.

**MANEESH:** I think that's a great point. This plays into the whole idea of the reps behaving like orchestrators.

**STEVE:** The "orchestrator" term is really appropriate, because if you look at a big, multistate IDN, for example, a pharmaceutical company could have 30 or more different people who are working with customers in that organization at various levels. It's critical to make sure there's a coordinated effort, so that everybody is marching in the same direction.

**MIKE:** To enable this orchestrator, what must change at headquarters?

**PRATAP:** There needs to be a lot of change at headquarters. Part of it is coming up with these central systems that coordinate things, and have a 360-degree customer view.

But more than that, there needs to be also change management. Another analogy that has resonated with my clients is that you need air traffic control. I mean, I had a poor PCP in California that one pharma company, over multiple brands and channels, contacted 159 times in one year.

And so which channels create the best results and won't create pushback on the other channels on rep access? So you have to account for all these things—and to do so, you need a change in mindset.

**MIKE:** To build off what you said, Pratap, pharma companies want to provide the best customer experience possible. They realize customers are interested in these other channels and they're often effective.

But if they don't do it in the right way, they could actually hurt the customer experience. And even make access even more difficult than it is today, so there is a risk at play here.

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Tying it back into activity planning, part of the challenge is that a lot of companies are struggling with strategic account planning, often because they're thinking of the process before they've figured out the strategy. I think we'll see significant changes across activity planning, but they will likely follow changes in the organization itself.

**STEVE:** And, in my experience, companies are thinking about the multichannel piece at a brand level—multiple channels for a single brand.

But even if you get that right for all of your brands, you have overlap in your customer universe. Then, you end up with the dynamic that Pratap mentioned with a customer receiving 159 different interactions across the portfolio. If they're not thinking about it on a portfolio level, then they're not reaping the full benefit.

**MIKE:** I think Steve's observation is a good place to wrap up, because it points to the fact that activity planning for reps isn't a separate process, but needs to be integrated with a company's overall marketing plan.

In fact, there are several levels of interactivity that you have to take into account—a customer interaction about one product can affect how you plan activity for another product; each interaction can affect the approach you take with other customers in the same account; and different channel activities can change your engagement approach as well. And of course, every customer interaction should inform your next interaction with the same customer.

All these new quarterback or orchestrator roles are probably going to pay benefits, but without an integrated activity-planning approach, there's a good chance that with any role you'll be tripping over yourself.

## About ZS Associates

ZS Associates is a global leader in sales and marketing consulting, outsourcing, technology and software. For more than 30 years, ZS has helped companies across a range of industries get the most out of their sales and marketing organizations. From 21 offices around the world, ZS experts use analytics and deep expertise to help companies make smart decisions quickly and cost-effectively. ZS comprises multiple affiliated legal entities. Learn more at [www.zsassociates.com](http://www.zsassociates.com).



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