WILSON LEARNING

Versatility:

The Key to Pharmaceutical Sales Performance

Executive Summary

While having a salesforce that can deliver your company's message to physicians and other health care professionals is critical to effective performance, the true key to success is having a salesforce that can adapt that message to the needs and preferences of those they call on. Our research shows that versatile salespeople can be over 50% more successful than their less adaptable counterparts.

This was effectively demonstrated in a study with a large U.S.-based pharmaceutical company. Development of versatility skills had a significant impact on a product line's market share. When compared to pharmaceutical representatives who did not receive versatility skills training, the versatile pharmaceutical representatives' market share was significantly higher, and continued to improve every month of the yearlong study.

Helping pharmaceutical representatives learn how to recognize health care professionals' preferences and styles, and to adapt their strategy to more directly meet those preferences, has proven to be the key to pharmaceutical sales performance.

What is Sales Versatility?

There are two things almost all pharmaceutical representatives know:

- All things being equal, we really only "connect" with about 25% of health care professionals.
- It is easier to influence those health care professionals with whom we "connect."

When people say they "connect" with someone, they are referring to the similarity of their communication preferences and styles. We feel more comfortable with people who like to talk at the same pace we do; who are not too pushy, or too pliable; who want to get to know about us at about the same time we are ready to share that kind of information.

Decades of research indicate that people are divided equally across four primary communication styles. We call these the four Social Styles: Driver, Expressive, Amiable, and Analytical. When a physician is easy to work with, it is often because you and the physician have the same Social Style. When a physician seems difficult to work with, it is because your styles are different.

Because each style represents about 25% of all health care professionals, most pharmaceutical representatives only share Social Styles with one out of every four health care professionals, and a majority of their sales will tend to come from those health care professionals. But what if pharmaceutical representatives could learn to "connect" with the other 75% of health care professionals? Would they be able to sell more effectively to them as well?

These were the key questions asked by Wilson Learning and a large pharmaceutical company. This study shows that by teaching pharmaceutical representatives their preferred style of communicating, how to recognize the style of health care professionals, and, most importantly, how to adapt their style, pharmaceutical representatives connect with a broader base of health care professionals and their performance goes up.

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The Study

The Performance Measures

The first step was to determine what performance to measure. To prove the impact of versatility skills on the company, a strategically important performance metric was needed. Not just a change in perception or attitude, but a real bottom-line outcome.

For this study, the company chose to measure market share of a product line. This product line was in a market with a large number of strong competitors. Because of the market size, even a modest increase in market share would be worth millions of dollars in revenue. And, because of the strong competition, just holding on to current market share was a difficult task. For this company, if more versatile pharmaceutical representatives could increase market share, it would be more than worth the expense and effort.

The Pharmaceutical Representatives

We selected a region of 40 pharmaceutical representatives to test our ideas. This was an already highly successful group. In order to prove that versatility was a cause in the improvement in market share, we divided this group into two subgroups:

- **Normal Control group**: These pharmaceutical representatives received the normal training typically provided (more traditional sales skills, product training, etc.).
- **Versatile Pharmaceutical Representative (VPR) group**: These pharmaceutical representatives received, in addition to the normal training, specialized skills in how to identify a health care professional's Social Style and how to be versatile in their sales approach based upon Social Style.

Short-Term or Long-Term Effect?

Improving versatility would not have much value if performance improved for only a few months and then diminished. This is the fate of many training programs—once the initial "shot" wears off, the improvement goes away. So, for this study we collected the market share performance data not just for three months following the training, but for a full nine months following the training.

There were two groups of pharmaceutical representatives; one was given versatility skills training, the other was not. Market share information for a key product line was collected just before training and then for each of the next three quarters (nine months) after the training. Without the normal control and the long-term performance data, there are a number of things that could have explained the performance increase. So, by studying versatility in this way, we now have proof that the versatility skills were an independent factor in the increase in market share.

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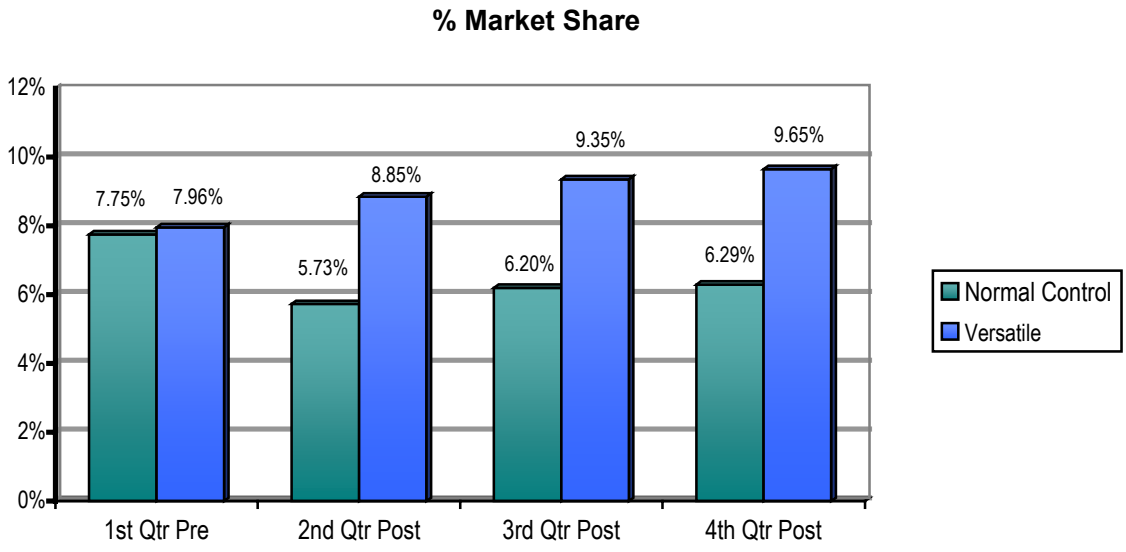
Findings

Results of this study provide convincing evidence that versatility skills caused a significant increase in market share. The graph below summarizes the market share changes and can be used to answer a number of questions.



Were the groups really equal to start?

There was always the possibility that the VPR group was better to begin with, so we measured market share for the three months just before the training. As the graph shows, the two groups had virtually the same performance, 7.75% and 7.96%. Therefore, any change in market share after the training is not due to differences before the training.

Did performance improve after versatility training?

There was a profound improvement for the VPR group over the normal control group in the first quarter after the training. As the chart shows, the normal control pharmaceutical representatives actually lost market share, down 26%. This was in part due to the introduction of a new product by a competitor. But, for the versatile pharmaceutical representatives, not only did they avoid the market share drop, they actually increased market share by 11%, despite the new competitive product on the market.

Thus, when you compare the VPR group to the normal control group, the versatile pharmaceutical representatives' market share was 54% higher than the normal control group's after the first three months. But improvement did not stop there.

Was the performance improvement sustained over time?

Market share continued to climb for the VPR group across all nine months of the study. After the 11% improvement in the first quarter, market share in the second quarter was up more than 17% from the pre-training period, and up 21% in the third quarter.

The normal control group regained some of the market share they lost, but not much—they ended down 19%. This means that, when you compare the VPR group to the normal control group, versatility skills produced a 53% improvement in market share.

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Conclusion

What is a 53% improvement in market share worth to your company?

As described at the beginning of this article, because of the large market for this product, this kind of improvement was worth a great deal. We cannot tell you exactly as it might expose proprietary information.

Put in another way, if a pharmaceutical company has a product currently used by 500,000 patients, each purchasing $500 of the product a year, improvement from a 6.29% market share to a 9.65% market share is the difference between $250,000,000 in revenue and $380,000,000 in revenue. Of course, your results will depend upon your current market, market share, and revenue. But, for this pharmaceutical firm, creating versatile pharmaceutical representatives was a profitable return on investment.

And the ROI did not end there. Performance continued to increase over the entire time we tracked it, and most likely well beyond. Thus, this is a sustained improvement. As pharmaceutical representatives apply their versatility skills, they perform better and better. So one year, two years, or more after training, versatility is still increasing your performance and profitability.

By: Michael Leimbach, Ph.D.
Vice President, Research and Design
Wilson Learning Worldwide

More information about The Versatile Pharmaceutical Representative program is available from:

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Wilson Learning Worldwide
8000 W. 78th Street, Suite 200
Edina, MN 55439
800.328.7937
www.wilsonlearning.com

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