

Best-in-Class Medical Reps...

Concepts

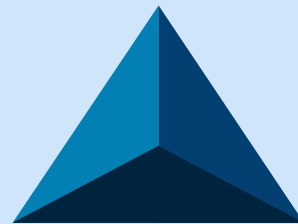
Methods

Tools

... apply the
ELITE Program



- Prescriber Insight
- Brand Preference Tactic
- High Impact Interactions
- Job Passion



Smart Pharma
Consulting

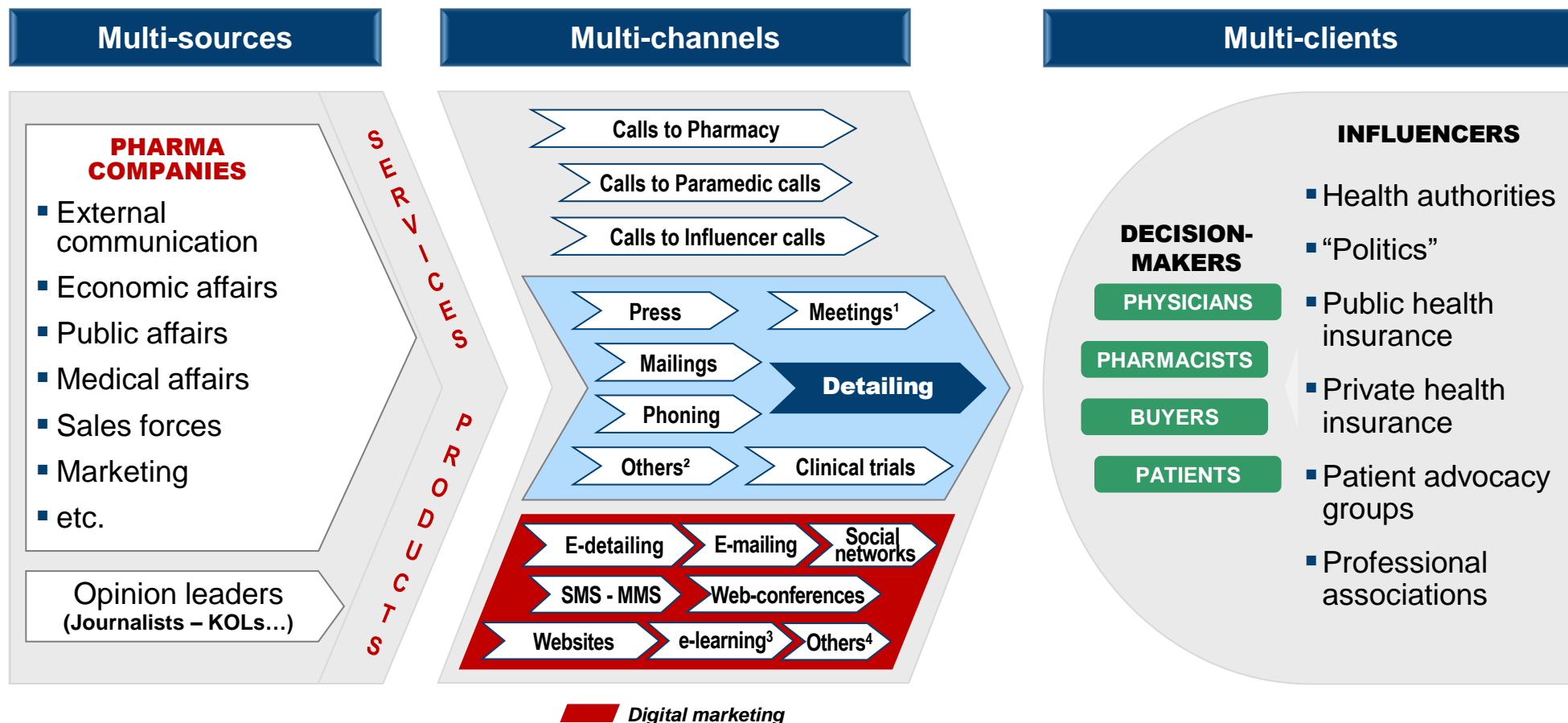
“Best-in-class med reps make each physician feel unique”

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As prescription decisions increasingly depend upon multiple clients, pharma companies need to adopt a more complex and coordinated promotional approach

New pharma marketing & sales model (1/2)



Sources: Smart Pharma Consulting

¹ Round tables, symposiums, congresses, etc. – ² Sampling, gimmicks, grants, prescription pads... – ³ Continuous medical education through a digital interface – ⁴ Screen savers, popup windows...

Prescribers should be offered exceptional experiences during interactions with med reps to ease access and increase the preference to the brands they promote

New pharma marketing & sales model (2/2)

- **Lower** number of breakthrough **innovative products** with **high sales potential**
- **Increasing price pressure** and **narrowing** of the **target patient** population **by payers**

- **Tighter control** of marketing activities (incl. medical calls) by authorities
- Higher proportion of **physicians refusing to be called upon**
- Portfolio evolution from **primary to secondary care** products
- Increasing **role** of **other stakeholders**¹ influencing physician prescriptions



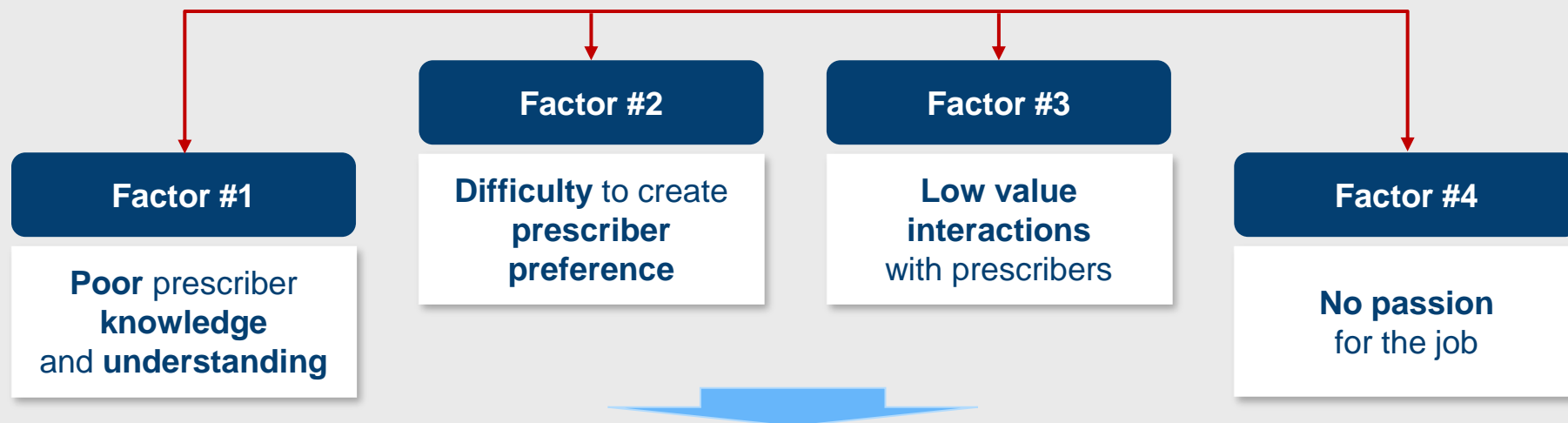
- **Redefine** the level of marketing and sales **investments**
- Switch **priority** from efficacy to **efficiency** (better return on investment)
- **Adapt communication...**
 - ... content to **regulatory constraints**
 - ... channels to **other stakeholders**¹

- Development of **CRM**² and **CLM**³ **tools** enabling a more precise profiling of physicians

Smart Pharma Consulting has identified four main reasons explaining the limited impact of med reps on the opinion and behavior of the prescribers they interact with

Med reps performance limiters

- Smart Pharma Consulting has identified **four main factors** responsible for **med reps underperformance**:

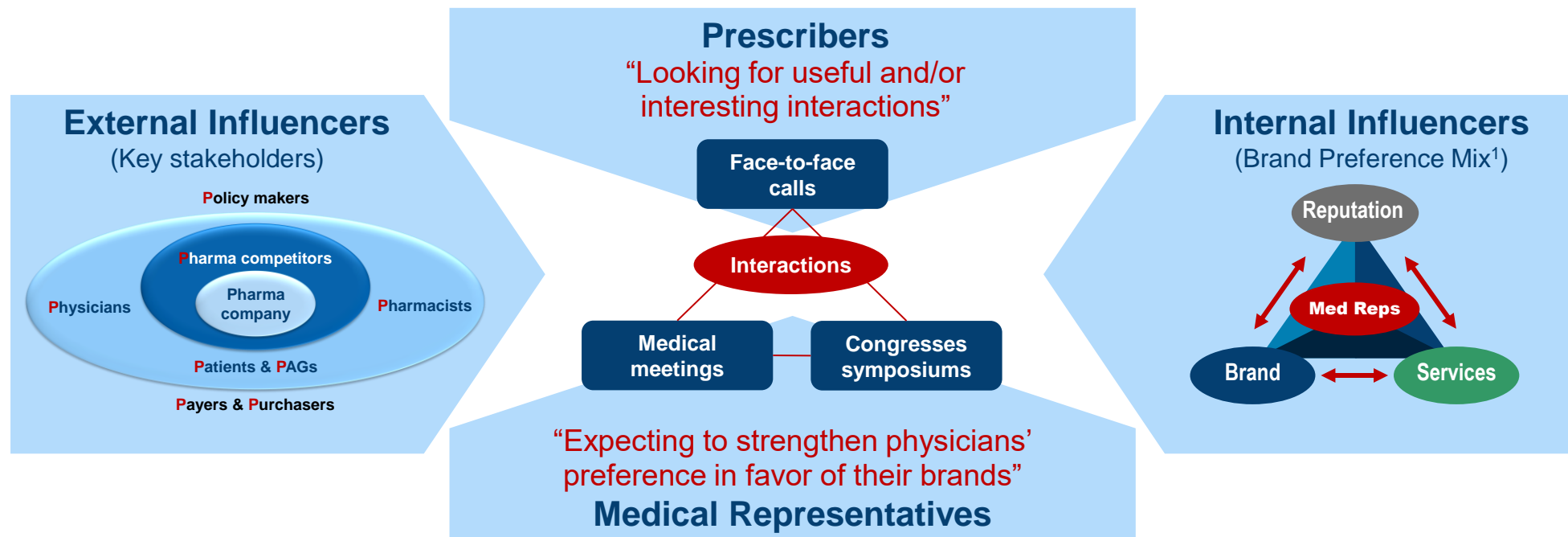


- To remove these limiting factors, we have recently developed the **ELITE Program** which helps med reps **reinforce the preference of prescribers for the brands they promote**

ELITE Program – Introduction

The ELITE Program can help med reps create interactions that are better valued by their customers and thus contribute to strengthen the preference for their promoted brands

Objective of the ELITE Program



The ELITE Program assumes that prescribers opinion and corresponding prescribing behavior depend on:

- **External influencers** (key stakeholders)
- **Internal influencers** (Brand Preference Mix)
- **Their willingness to interact with med reps**
- **Med reps ability to create highly valued interactions**

ELITE Program – Presentation

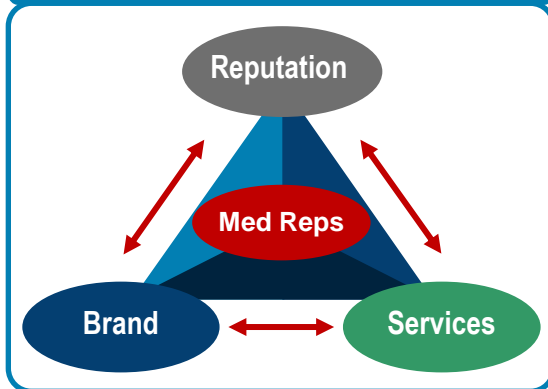
The ELITE Program is based on 4 pillars enabling med reps to interact more efficiently with prescribers and to optimize the prescription share of the brands they promote

The Four Pillars of the ELITE Program

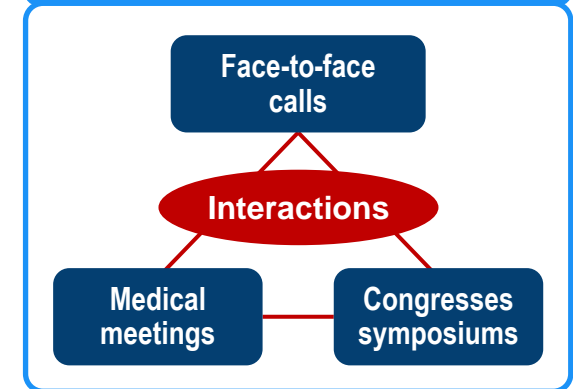
1. Prescriber Insight

Better **Knowledge**
&
Better **Understanding** **TO** Better **Convince**

2. Brand Preference Tactic



3. High Impact Interactions



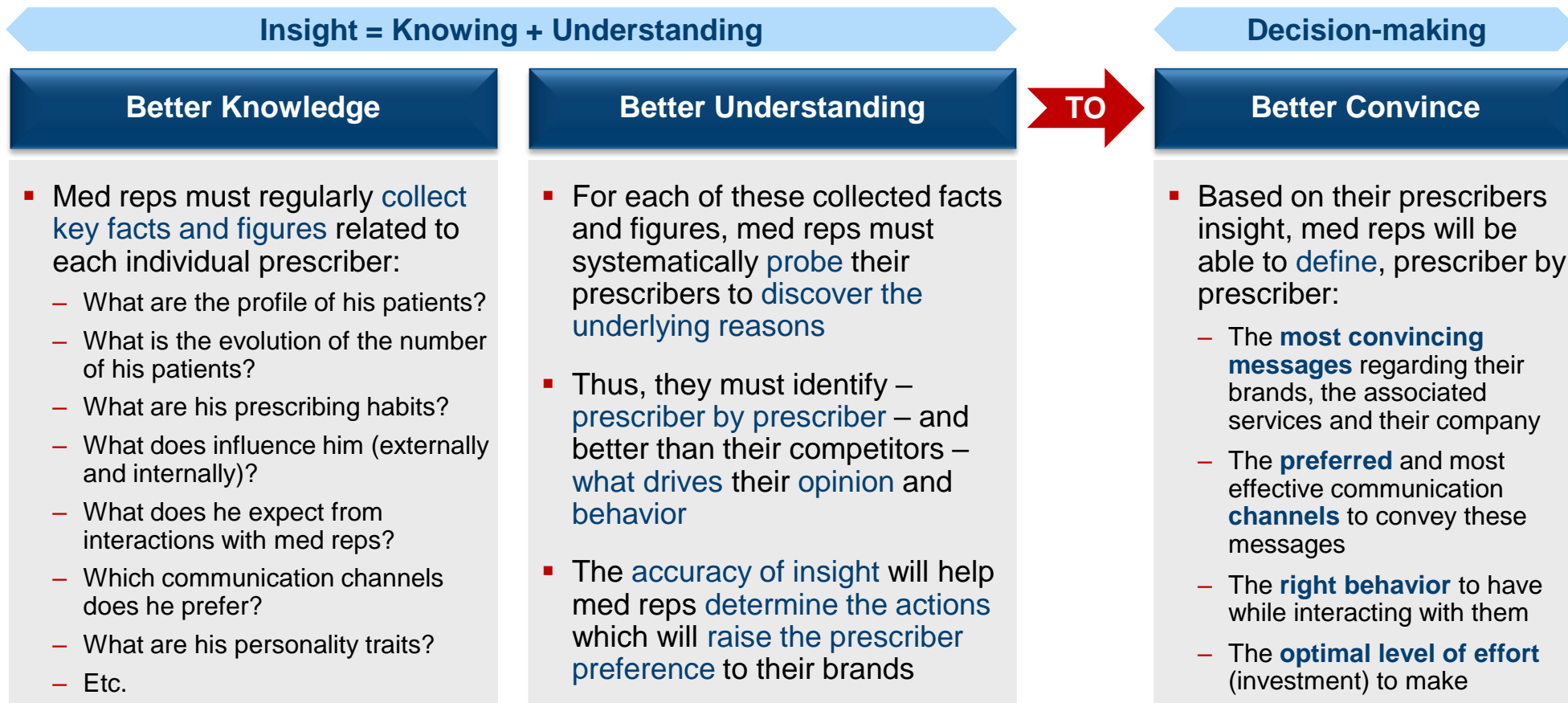
4. Job Passion

Job **Passion** **➔** **More & Better Work** **➔** **Higher Performance**



The in-depth knowledge and understanding of individual customer opinion and behavior are essential to set the optimal mix and level of activities to be devoted to each of them

How to build In-depth Prescriber Insight?



While interacting with med reps, physicians look for: information, services, and/or emotion, knowing that one of these expectations is generally predominant

The “Seeker Portrait” Model – Principle

- Physicians expectations vis-a-vis med reps depend on:
 - External influencers¹
 - Internal influencers (i.e. the history of their interactions with med reps and other collaborators² of their company)
 - Their personality
- The “Seeker Portrait” model can help med reps characterize what physicians will predominantly expect while interacting with them: Information – Services – Emotion
- If physicians expectations are in fact a mix of these three types, one will be dominant, reflecting their personality, their influences and their specific needs at a point of time
- Physician dominant expectations may vary:
 - Over time
 - With the brand status (innovative or me-too, new or established)
 - With med reps (according to their past interactions)



To increase the probability of influencing favorably the opinion and behavior of each physician, med reps must define their dominant type of expectations

The “Seeker Portrait” Model – Features



■ “Information-Seekers”

expect from med reps information based on clinical studies and evidence-based medicines (EBM)

- They want to be kept informed about the latest disease-related news (i.e. new clinical studies about the promoted product and its competitors, new medical guidelines, scientific events, new regulations from health authorities, or new conditions of co-payment by payers, etc.)

- “Emotion-Seekers” expect to have a good time, a pleasant exchange while interacting with med reps (e.g. about its medical practice, its hobbies, the Med Reps experience, the company he works for, etc.)
- They expect med reps to be trusted advisors, delivering unbiased information, demonstrating empathy, respect, etc.

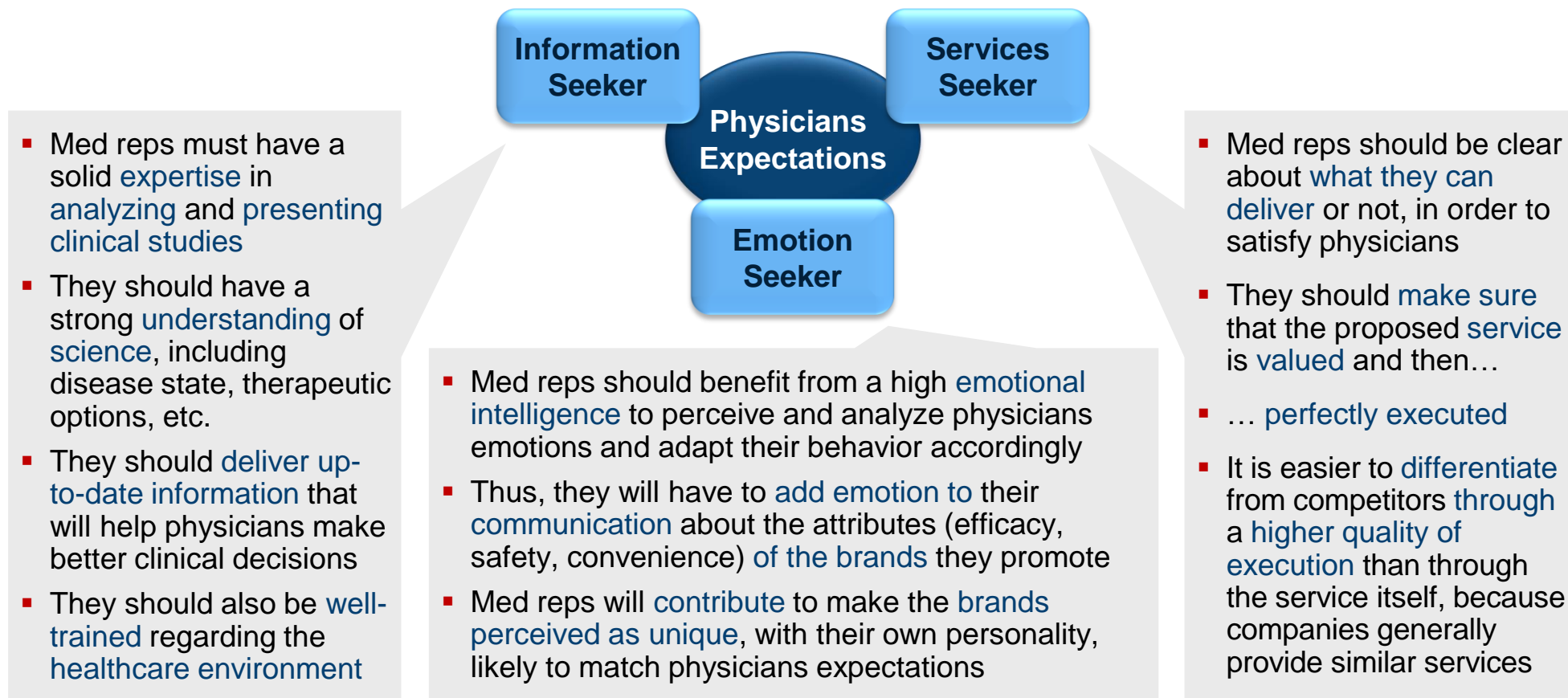
■ “Service-Seekers”

expect from med reps service delivery such as:

- Invitation to enroll their patients in adherence programs
- Completion of patient registries
- Compilation of scientific information
- Invitations to CME¹ programs
- Invitations to congresses / symposiums

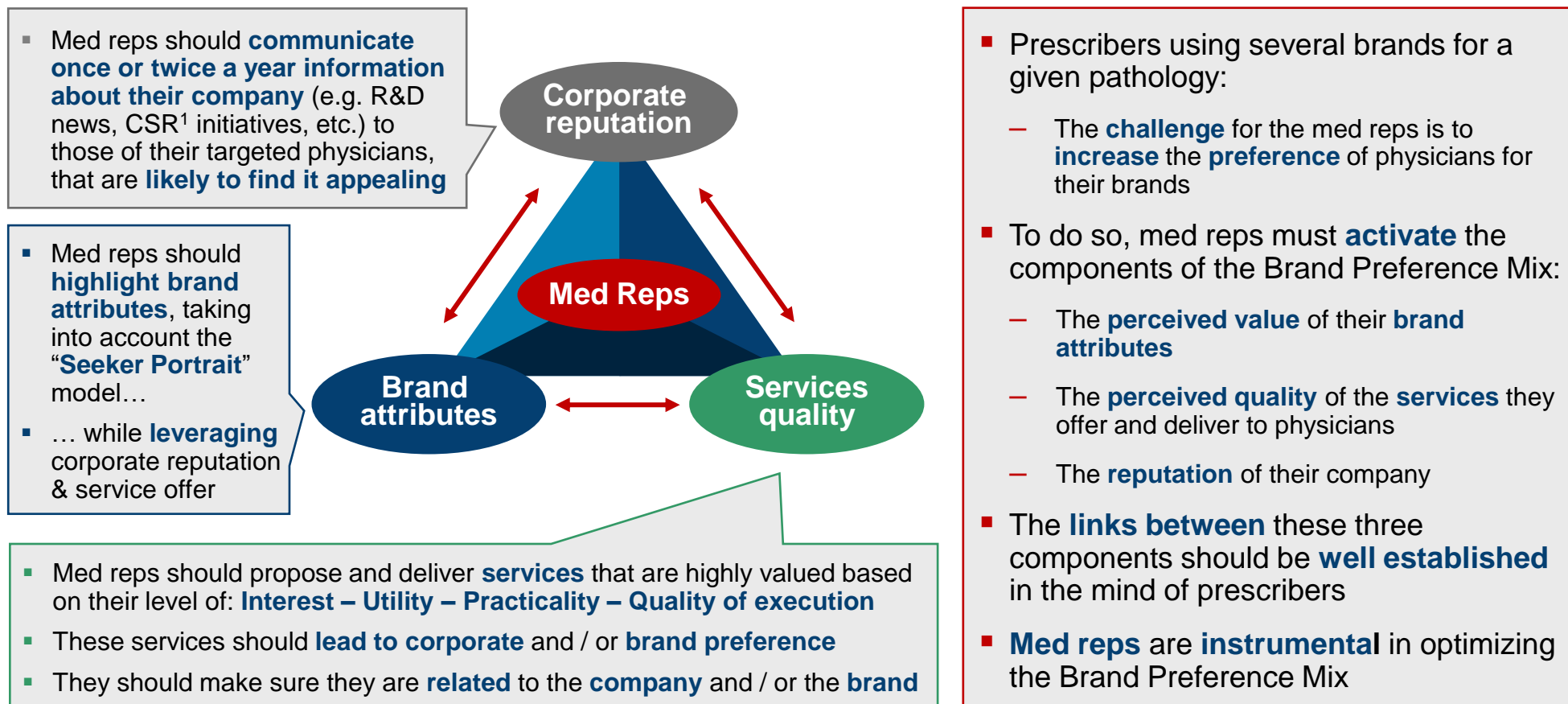
The different types of dominant expectations require from med reps different sets of skills and an adjustment of their behavior while interacting with physicians

The “Seeker Portrait” Model – Implications for med reps



The Brand Preference Mix determines the key drivers that can be activated by the med reps to enhance the preference of their targeted physicians

The Brand Preference Mix (BPM) – Principle

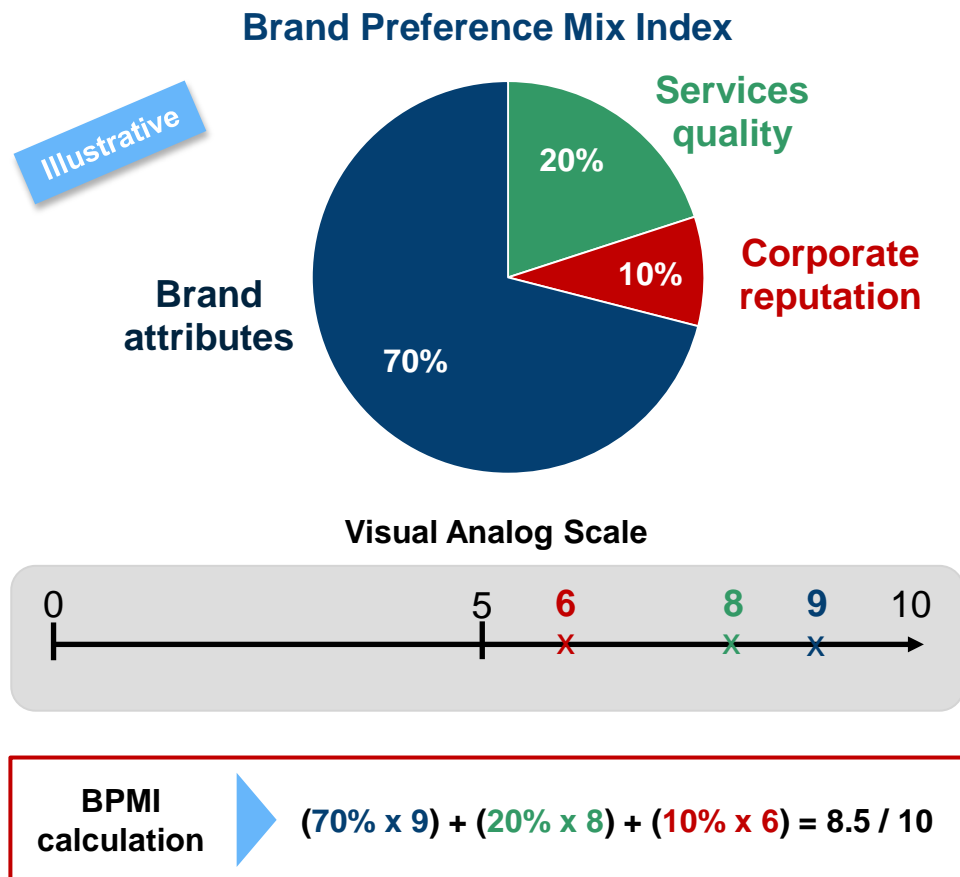


Source: "Building prescriber loyalty", J.-M. Peny et al., SCRIP Magazine, September 1993 – Smart Pharma Consulting

¹ Corporate social responsibility

The Brand Preference Mix Index (BPMI) enables to evaluate the brand performance on each of its preference components, over time and compared to its competitors

The Brand Preference Mix (BPM) – Tool #1



- The Brand Preference Mix Index (BPMI) is a measurement **tool** that **takes into account**:
 - The **relative importance of each BPM component** (i.e. corporate reputation, brand attributes and associated service quality) per brand
 - The **score of the brand**, on a 10-point scale, for each of its preference components
- The BPMI can be defined per customer¹, per indication, per form, etc.
- The BPMI **scores the customer perception** at a given point in time, making **possible to track** the **evolution** of this perception over time and to **compare it to competitors**, considering:
 - **External events** (i.e. related to health authorities, competitors and customers' behaviors)
 - **Internal events** (i.e. related to operational activities², quality of services offered, communication strategy)

Source: "Building prescriber loyalty", J.-M. Peny et al., SCRIP Magazine, September 1993 – Smart Pharma Consulting

¹ Physicians, patients, pharmacists, nurses, payers, health authorities, etc.
² Medico-marketing-sales

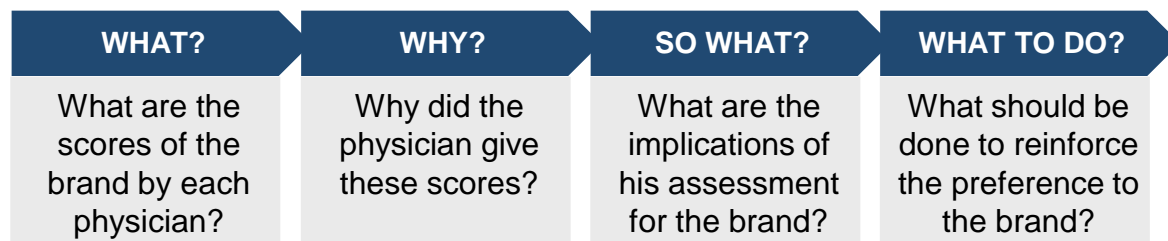
Med reps can monitor the brand performance with the “Brand Preference Mix Index” while calling upon their targeted physicians and thus, fine-tune their activities

The Brand Preference Mix (BPM) – Tool #2

Assessment guide for medical reps

The image displays three overlapping assessment forms for medical reps. The top form, 'QUALITE DU PRODUIT', asks about product quality. The middle form, 'SERVICE ASSOCIES AU PRODUIT', asks about associated services. The bottom form, 'IMAGE LABORATOIRE', asks about the laboratory's image. Each form includes a 10-point scale for evaluation.

From observation to decision: The 4 Ws approach

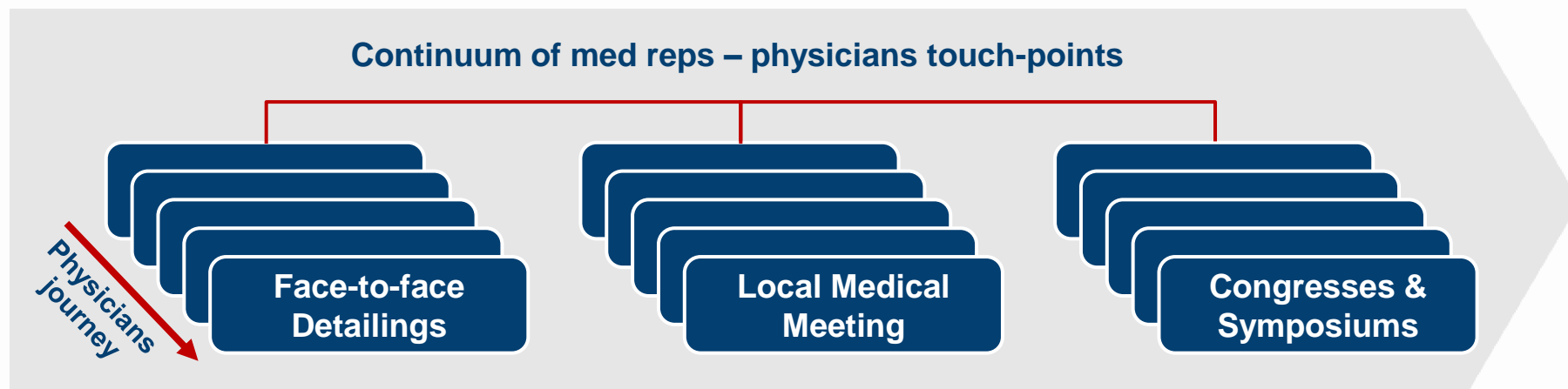


- Recent experiences have shown that:
 - >95% of physicians **accept to be questioned** on the three components of the BPM
 - >80% of physicians consider that the **BPM** approach **conveys a positive image**
 - >85% of medical reps say that the BPM **helps improve** their **insight** into physicians
- Once physicians have evaluated the brand with the BPM, they are asked:
 - What is the **rationale** supporting these **scores**?
 - What **should be done to raise their preference** to the brand?
- Then, **med reps** can **fine-tune** their **messages**, their **activities**, **physician by physician**, based on the feedback
- The collected **information** should be **shared** with **marketers** who will define specific initiatives to reinforce prescribers' preference to the brand

By offering physicians exceptional experiences while interacting with them, med reps access will be eased and the preference to the brands they promote increased

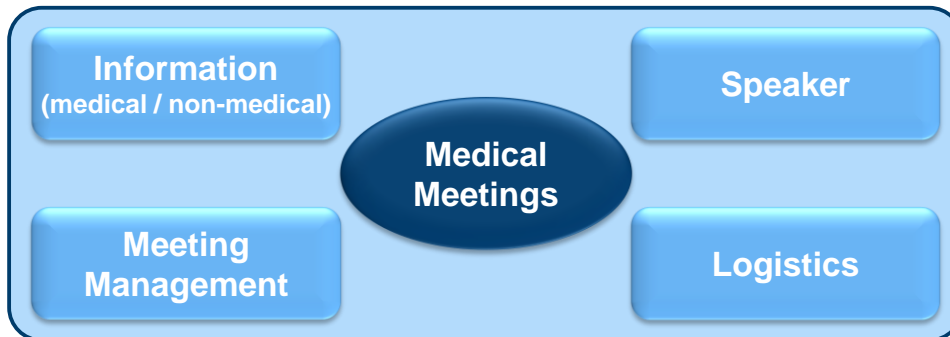
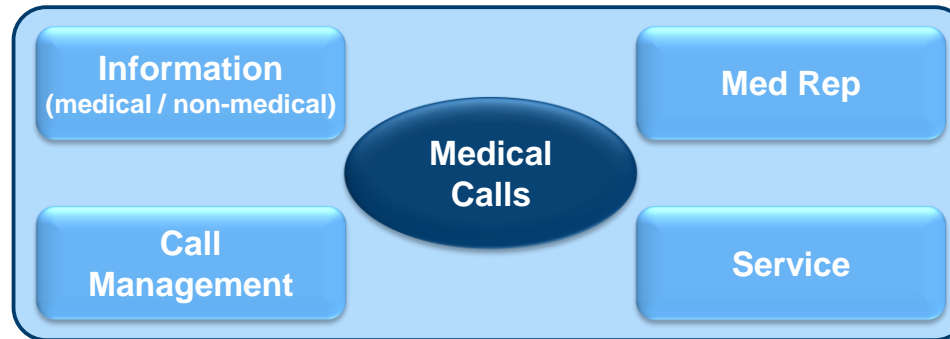
Why to create High Impact Interactions?

- Smart Pharma Consulting has developed the “**H2I Program**” (High Impact Interactions Program) to help med reps¹ create a **continuum** of **exceptional interactions** with physicians so that they:
 - **Accept** (or even ask for) **more regular contacts** with med reps
 - **Increase** their **preference** for the brands promoted by the med reps



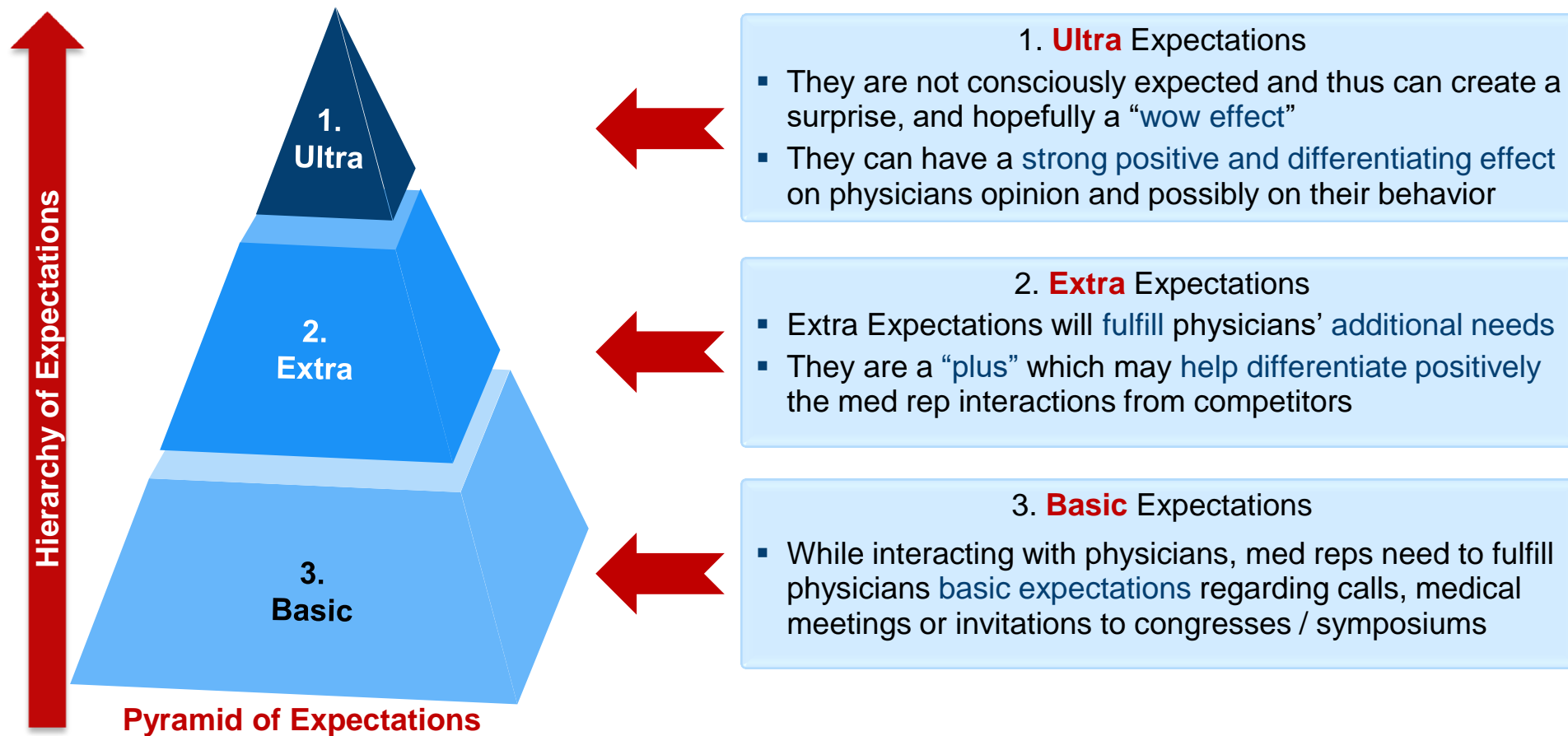
Physicians experience while interacting with med reps will depend on their assessment of the four determinants of the three following types of interactions

High Impact Factors Identification



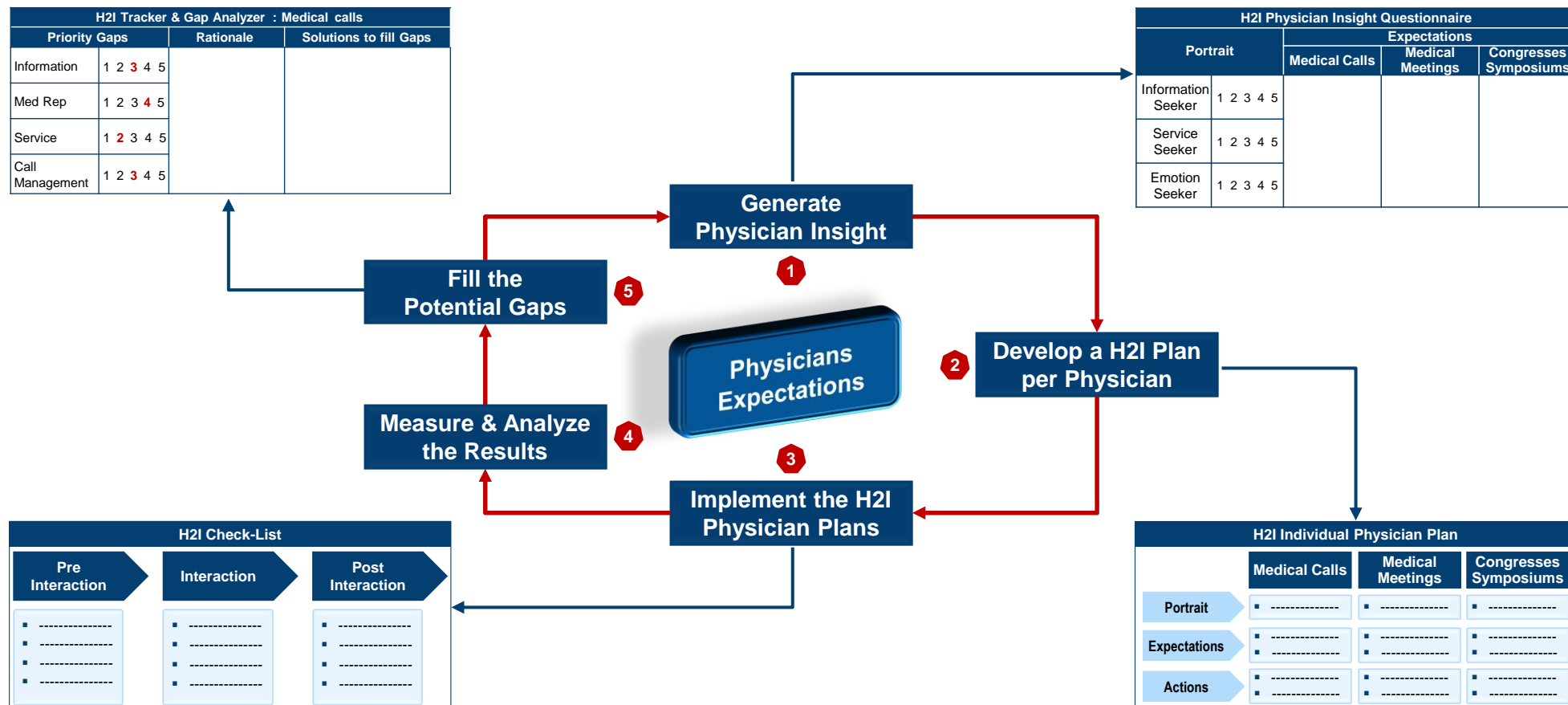
To create High Impact Interactions, med reps need to move up the pyramid of expectations in an attempt to offer physicians a continuum of unique experiences

High Impact Interactions (H2I) Program – Principles



For each of the five steps of the H2I Program, enabling tools will be designed to facilitate their proper execution by med reps

High Impact Interactions (H2I) Program – Framework & Tools



Sources: Smart Pharma Consulting

Job passion lies on six key drivers that pharma companies may manage carefully if they want their med reps to give their best to achieve their objectives

What is Job Passion?

- Job passion is influenced by **six key drivers**:



- Passion for a job is a **strong inner emotion** which is expressed by:

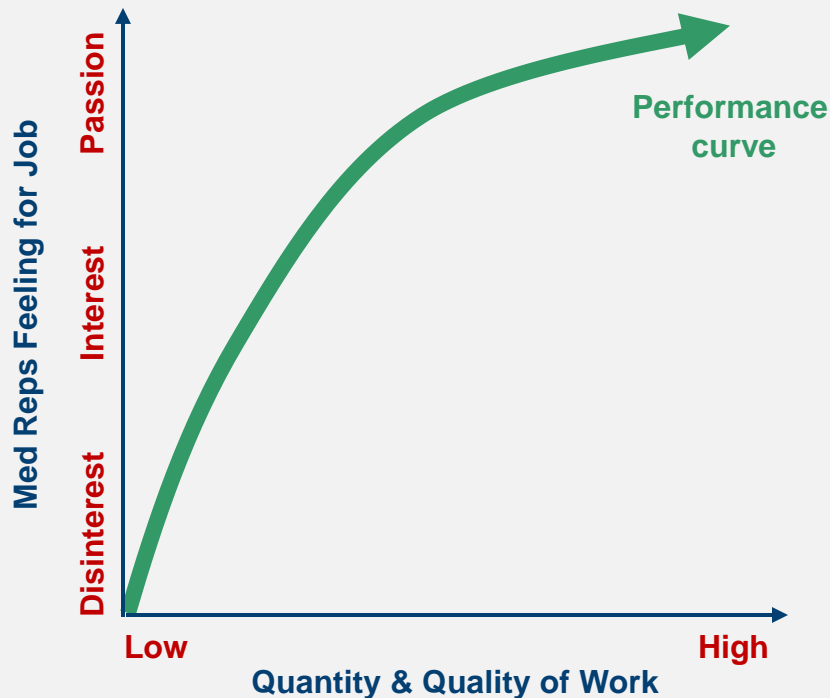


"Passion is the difference between having a job or having a career"

As passionate med reps deliver better results than those who are not, pharma companies must recruit them, sustain their feeling and secure their loyalty

Why to stimulate Job Passion?

Impact of Passion on Performance

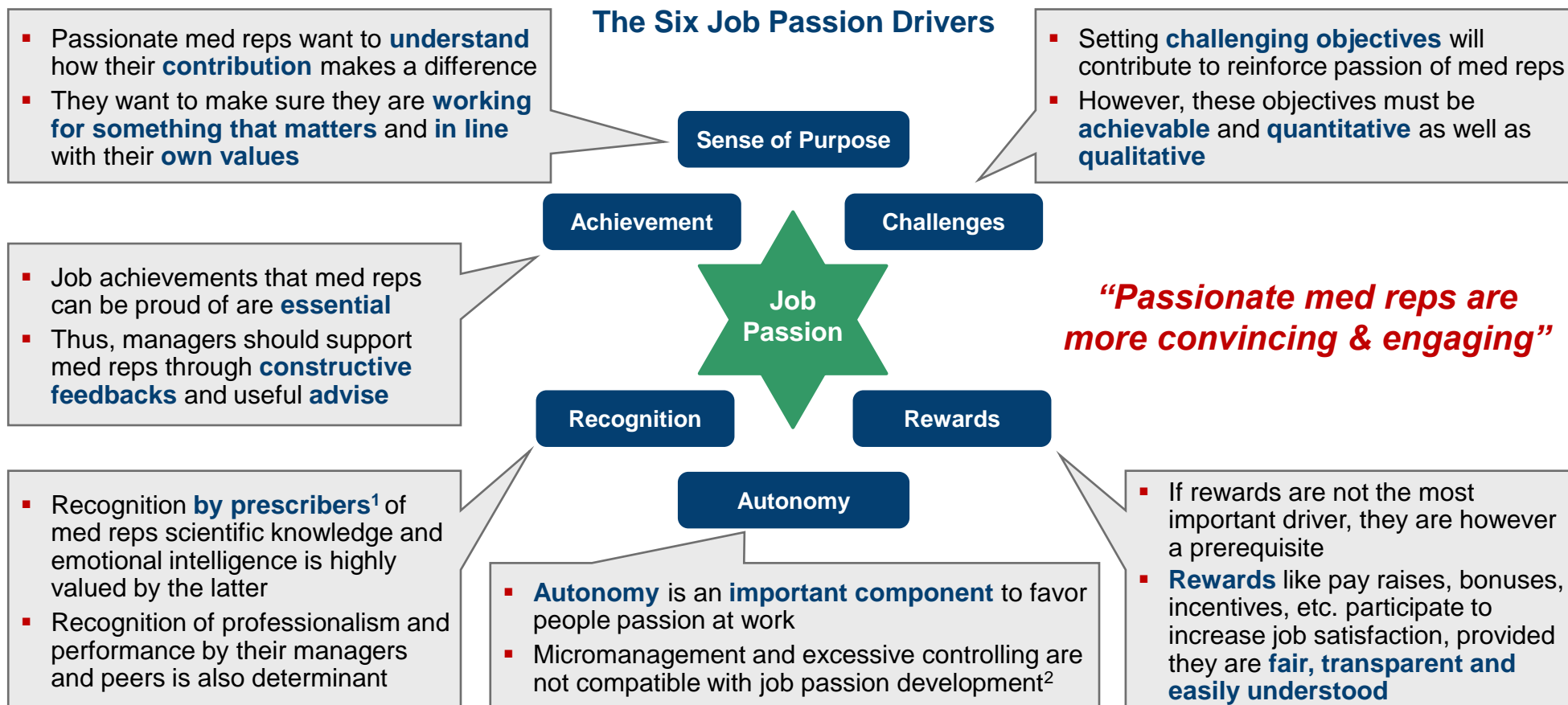


- Passionate employees¹ being **more satisfied** with their job and **more motivated**, they will tend to **work longer hours** and to work **better**
- Therefore, it is of the **utmost importance** for pharma companies to:
 - **Recruit** med reps that are passionate for their job
 - **Create** the working **conditions** to keep their passion up
 - Put in place a plan to **retain** them

“Pleasure in the job puts perfection in the work” – Aristotle

Pharma companies and especially area managers should keep up or even stimulate the passion of their med reps at work with the help of the six following drivers

How to stimulate Job Passion?



ELITE Program – Conclusion

The best performing companies are able to develop deeper physicians insight and to create sustainable physicians experiences that stimulate their desire and preference

Key Success Factors (1/2)

Develop Insight

- **Interactions** should be used to **better know and understand** physicians needs...
- ... and to identify what is likely to please, impress, delight, or positively surprise them

Instill a Culture

- The ELITE Program should **come from the top management** and **disseminate** throughout the company **to reach med reps** who need to **understand the benefits** they will draw from such a program

Define a Strategy

- The ELITE Program should be **part of a broader strategy** aiming at strengthening **physicians preference** to the promoted brands
- Thus, it should be **integrated into the brand marketing** and **sales strategy**

Design a Process

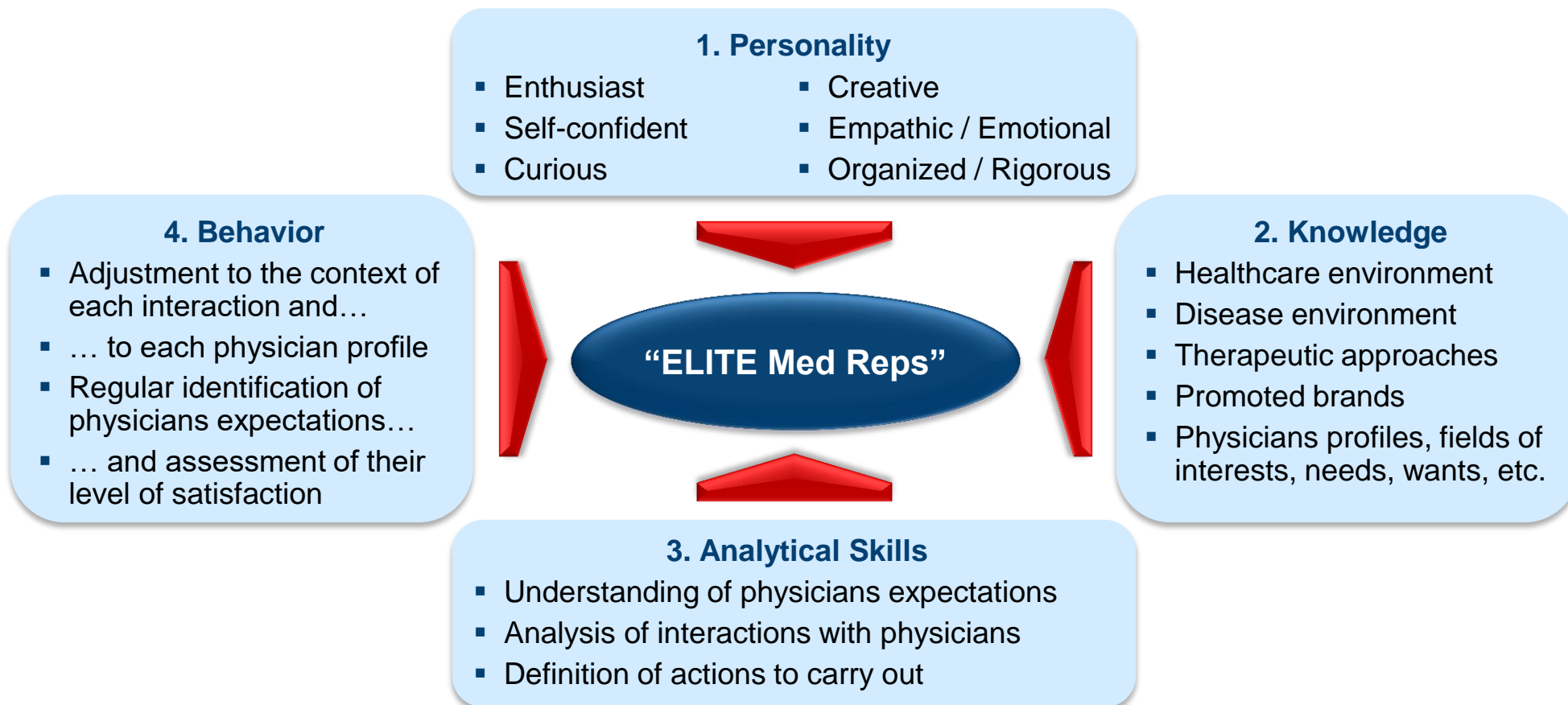
- The ELITE Program should be **implemented**, according to **a well-defined process**, to ensure a consistently **high quality of execution**...
- ... and **monitored** with **specific metrics** to fill the gaps, if any, with proper solutions

“Excellence is doing ordinary things extraordinarily well” – John W Gardner

ELITE Program – Conclusion

To obtain quick and tangible results, “ELITE Med Reps” would need to adjust their behavior, certain traits of their personality and improve their technical skills

Key Success Factors (2/2)



Smart Pharma Consulting services related to med reps performance include consulting support, organization of specific trainings and regular publications

Overview

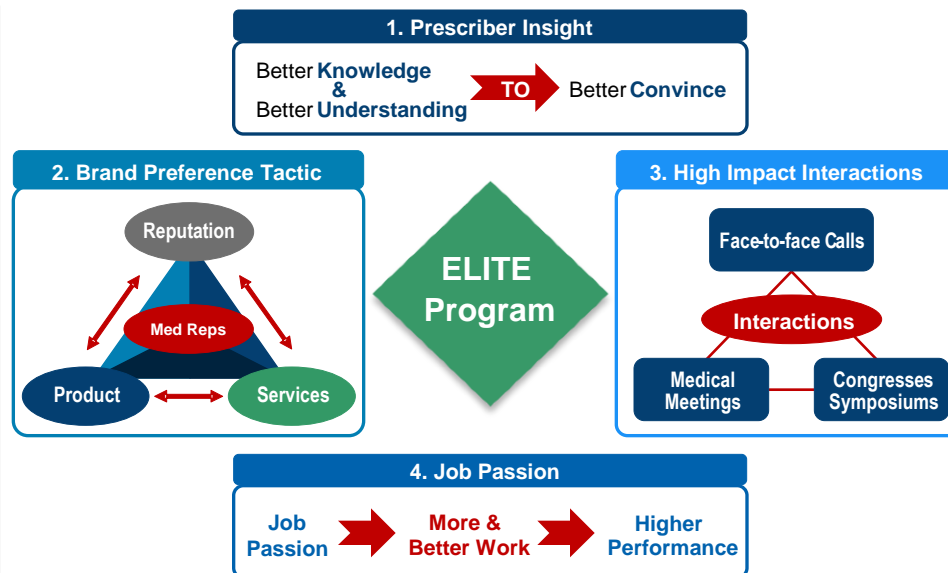
Consulting	Training	Publishing
<ul style="list-style-type: none">■ Our consulting services related to med reps range from lectures at seminars to implementation of innovative methods such as the ELITE or the STAR¹ programs■ Thus, we help pharma companies improve:<ul style="list-style-type: none">– Their customer targeting (see “Best-in-Class Pharma Marketing”²)– The organization of their sales forces (sizing, territorialization, activity prioritization and planning at national, area, territory levels, etc.)– The management of their med reps (motivation, development of collaborators) by their managers	<ul style="list-style-type: none">■ Trainings are developed and carried out by our training center: Smart Pharma Institute of Management■ Inter-company programs<ul style="list-style-type: none">– A comprehensive 5-day seminar: “Pharma Strategy & Marketing”³– Four Masterclasses, of one or two days dedicated to med reps■ Intra-company programs<ul style="list-style-type: none">– Customized programs to match the specific needs of pharma companies regarding their sales force– In general one- or two-day programs	<ul style="list-style-type: none">■ Books<ul style="list-style-type: none">– The “Pharma Marketing Tool Box” (2 editions: 2008 and 2015)– Pharma Market Insight & Strategy (4 books analyzing the future of the global pharma market and the implications for pharma companies)■ Articles<ul style="list-style-type: none">– 42 published in specialized journals■ Position papers<ul style="list-style-type: none">– 7 since 2013 (e.g. organizational benchmarking of sales forces, evolution of physicians expectations from med reps, best practices in sales plans, etc.)■ Reports<ul style="list-style-type: none">– 15 since 2012 (e.g. generics, OTCs, biosimilar markets, digital marketing, distribution and retail pharmacies economic trends, market access, etc.)

As the author of the ELITE Program and considering their operational experience, Smart Pharma consultants are well positioned to facilitate its implementation

ELITE Program Implementation

- Smart Pharma Consulting has an **in-depth expertise** in **improving sales force efficiency** coming from:
 - General management experiences in France and abroad for pharma companies
 - Numerous sales force effectiveness consulting projects carried out since 2001 (e.g. 4 in 2016)
- The ELITE Program which has been developed by Smart Pharma Consulting proposes an **holistic** and **practical** approach to **obtain** a significant **improvement of med reps efficiency** and **efficacy**
- Smart Pharma Consulting can help pharma companies implement the ELITE Program as follows:

- 1. Craft a communication strategy demonstrating to med reps** the benefits they will draw from the **program**
- 2. Design a framework** that fits the company **ambition** and takes into account its **current situation**
- 3. Create** specific and user-friendly **tools** to **facilitate** the **execution** of the **four pillars** of the **ELITE Program** by the med reps

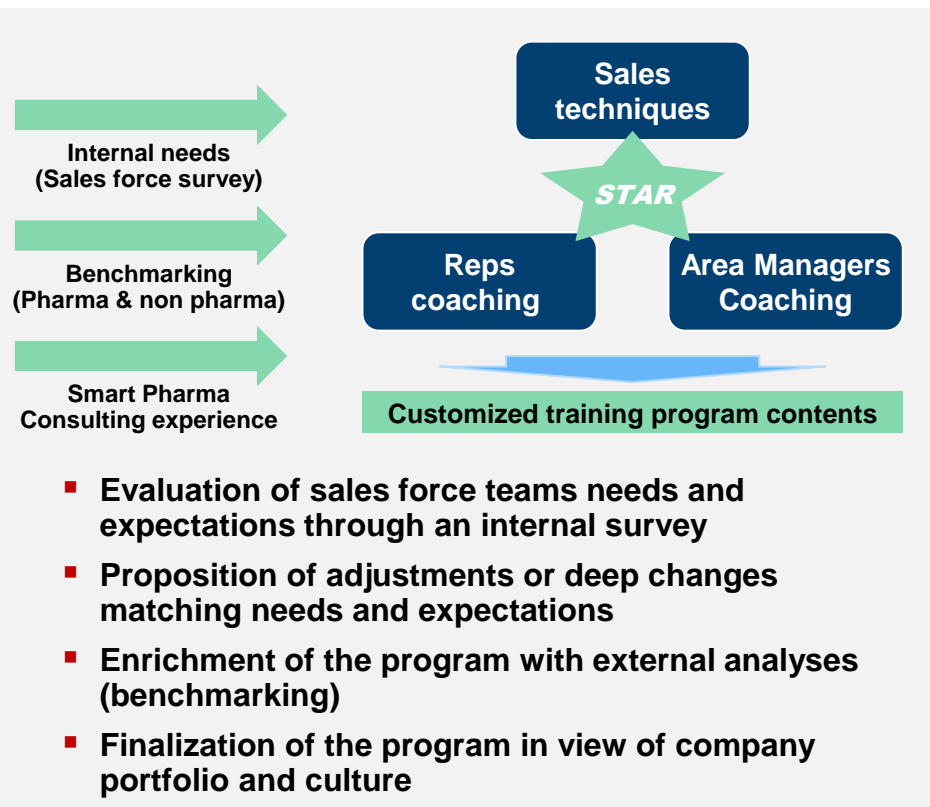


- 4. Develop** specific **training modules¹** for **med reps** and their **managers** to help them master:
 - The concepts
 - The methods
 - The tools
 related to each of the four pillars that constitute the ELITE Program
- 4. Adjust** the **organization** to best support the execution of the ELITE Program

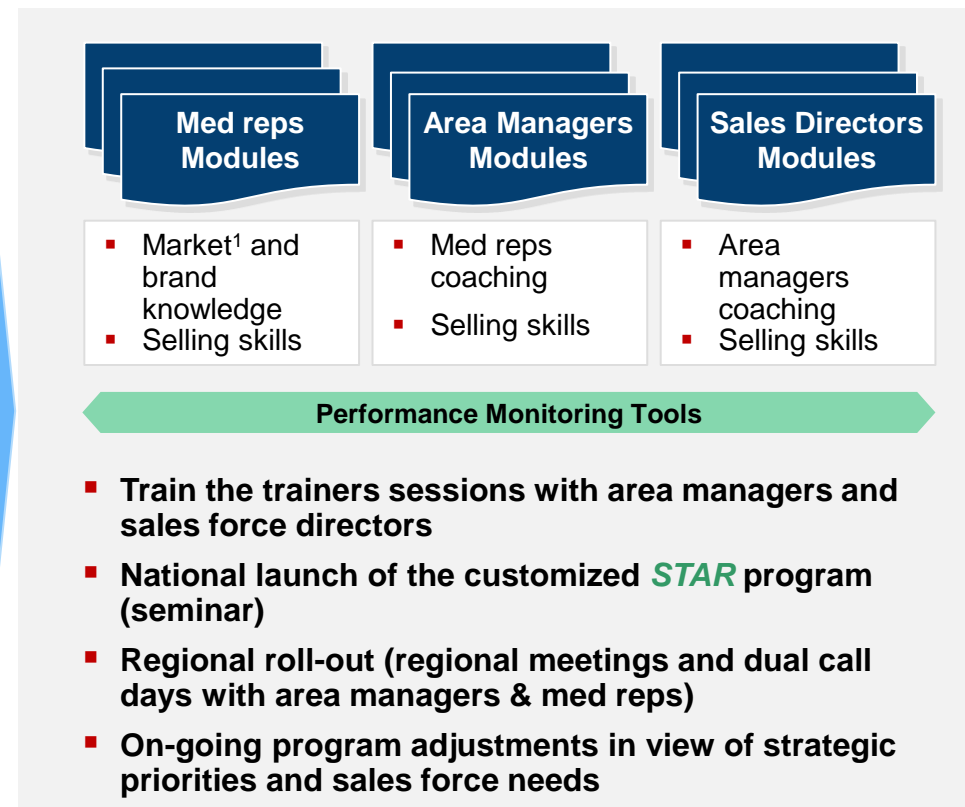
The STAR (Sales Techniques Application for Results) program can be entirely customized to pharma companies needs and rolled out in a timely manner

STAR Program Implementation

Identification of sales force needs and expectations



Program roll-out



Smart Pharma Consulting proposes a 5-day seminar for seasoned Marketers and Sales Managers who want to reinforce their strategic and operational marketing skills

Seminar: Pharma Strategy & Marketing¹

Day 1: Strategic thinking applied to companies

- Worldwide Pharma and Biotech sectors
- Evolution of the Pharma business model by 2020
- Strategic management of Pharma companies

Day 2: Marketing strategic thinking

- Optimization of brand value: Brand Preference Mix, etc.
- Dynamic prescribers segmentation: Behavioral Prescribers Segmentation (BPS) approach
- Sales forecasting and performance objectives setting
- Brand Planning: Advanced SWOT, Strategy Card, etc.

Day 3: Marketing tactical thinking

- Digital marketing and multi-channel approach
- Promotional resource allocation
- Definition of Key Execution Indicators (KEIs) and Key Performance Indicators (KPIs)
- Integration of new marketing tools: Integrated Promotional Strategy (IPS) approach

Day 4: Specialized market segment analysis

- Marketing of generics and biosimilar products
- Marketing of OTC products and Rx-to-OTC switches
- Management of mature products
- Marketing of niche and hospital products

Day 5: Development of managerial skills

- Sales force effectiveness
- Team leadership
- Corporate behavior
- Communication principles

Target Audience

- | | |
|--|--|
| – Marketing executive (e.g. marketing managers, group product managers, product managers) | – Strategic planners |
| – Market research executives | – Medical executives (e.g. MSLS, medical managers) |
| | – Sales force executives (e.g. sales force managers, area managers) |

This Masterclass will help med reps better understand how they must build and then use action plans to improve the efficiency and efficacy of their daily activities

Masterclass¹: Action Plans for Med Reps

Day 1

- 9:00 Introduction to the masterclass
- 9:10 Review and discussion of activity planning objective, concepts, methods and tools sent to participants as a pre-read
- 10:30 Lecture by and discussion with an expert:
“How to build useful action plans benefiting primarily to the med reps?”
- 11:45 *Break*
- 12:00 Case study #1: Analysis of the situation at territory level – External & Internal analysis:
 - Primary care brand (group A)
 - Secondary care brand (group B)
- 13:00 *Lunch*
- 14:00 Case study #1: cont.
- 16:00 *Break*
- 16:15 Presentation of the working groups A & B outputs, discussion and agreement on key learnings
- 17:45 End of the 1st day

Day 2

- 9:00 Introduction to the 2nd day
- 9:10 Case study #2: Objective setting and strategy crafting:
 - Primary care brand (group A)
 - Secondary care brand (group B)
- 11:10 *Break*
- 11:30 Presentation of the working groups A & B outputs, discussion and agreement on key learnings
- 13:00 *Lunch*
- 14:00 Case study #3: Development of specific actions to support the territory strategy previously set and selection of activity and performance indicators:
 - Primary care brand (group A)
 - Secondary care brand (group B)
- 15:30 *Break*
- 15:45 Presentation of the working groups A & B outputs, discussion and agreement on key learnings
- 16:45 Co-development with participants of key learnings
- 17:45 End of the masterclass

Smart Pharma Consulting proposes one-day sessions to familiarize participants (med reps and/or their manager) with the four pillars supporting the ELITE Program

Masterclass¹: The Four Pillars of the ELITE Program (1/2)

Pillar #1: Prescriber Insight

- 9:00 Introduction to the session
- 9:10 Review and discussion of the concept, methods and tools sent to participants as a pre-read
- 10:30 Lecture by and discussion with an expert:
“Customer Insight – Lessons from FMCG² companies”
- 11:45 *Break*
- 12:00 Case study: Application of the “Seeker Portrait” Model developed by Smart Pharma Consulting to:
 - Individual prescribers (group A)
 - Individual hospital departments (group B)
- 13:00 *Lunch*
- 14:00 Case study: cont.
- 16:00 *Break*
- 16:15 Presentation of the working groups A & B outputs, discussion and agreement on key learnings
- 17:45 End of the session

Pillar #2: Brand Preference Tactic

- 9:00 Introduction to the session
- 9:10 Review and discussion of the concept, methods and tools sent to participants as a pre-read
- 10:30 Lecture by and discussion with an expert:
“How do non-pharma companies proceed to strengthen customer preference to their brands?”
- 11:45 *Break*
- 12:00 Case study: Application of the “Brand Preference Mix” approach by med reps at:
 - Individual prescriber level (group A)
 - Individual hospital department level (group B)
- 13:00 *Lunch*
- 14:00 Case study: cont.
- 16:00 *Break*
- 16:15 Presentation of the working groups A & B outputs, discussion and agreement on key learnings
- 17:45 End of the session

Smart Pharma Consulting proposes one-day sessions to familiarize participants (med reps and/or their manager) with the four pillars supporting the ELITE Program

Masterclass¹: The Four Pillars of the ELITE Program (2/2)

Pillar #3: High Impact Interactions

- 9:00 Introduction to the session
- 9:10 Review and discussion of the concept, methods and tools sent to participants as a pre-read
- 10:30 Lecture by and discussion with an expert:
“How to create unique touchpoints with customers? – Lessons from FMCG² companies”
- 11:45 *Break*
- 12:00 Case study: Application of the “H2I”³ Program developed by Smart Pharma Consulting to:
 - Individual prescribers (group A)
 - Individual hospital departments (group B)
- 13:00 *Lunch*
- 14:00 Case study: cont.
- 16:00 *Break*
- 16:15 Presentation of the working groups A & B outputs, discussion and agreement on key learnings
- 17:45 End of the session

Pillar #4: Job Passion

- 9:00 Introduction to the session
- 9:10 Review and discussion of the concept, methods and tools sent to participants as a pre-read
- 10:30 Lecture by and discussion with an expert:
“How to boost your passion for your work? – A practical approach”
- 11:45 *Break*
- 12:00 Case study: Identification of the drivers likely to stimulate the passion of med reps for their job:
 - Job-related drivers (group A)
 - Company-related drivers (group B)
- 13:00 *Lunch*
- 14:00 Case study: cont.
- 16:00 *Break*
- 16:15 Presentation of the working groups A & B outputs, discussion and agreement on key learnings
- 17:45 End of the session

Smart Pharma Consulting has recently published a 2nd edition of the “Pharma Marketing Tool Box” which has been specifically designed for pharma executives

Pharma Marketing Tool Box

Jean-Michel Peny

Pharma Marketing Tool Box



2nd Revised & Augmented Edition

Smart Pharma Institute of Management
A division of  **Smart Pharma Consulting**

Author: Jean-Michel Peny is President of the Strategy and Management consulting firm Smart Pharma Consulting, Director of Smart Pharma Institute of Management, Lecturer in Pharmaceutical Strategy and Marketing at the ESSEC business school, at the Faculty of Pharmaceutical Sciences (Paris XI) and of Medicine (Paris VI)

Editor Smart Pharma Consulting – 246 pages – 250 euros

Presentation

The book provides a clear, precise and concise review of the most relevant and useful concepts in the context of pharmaceutical marketing. The author presents:

- Innovative marketing and sales approaches
- Specific analyses
- Practical tools

This user-friendly “tool box” has been structured to encourage the **rigor** and **relevance of marketing thinking** of pharmaceutical executives

Brief Content

- Introduction
- Part 1 – Market Research
- Part 2 – Strategic Marketing
- Part 3 – Operational Marketing
- Part 4 : Marketing Planning

Core capabilities

1 Strategy

- Assessing the attractiveness of markets (Hospital / retail innovative products - Vaccines - OTC - Generics)
- Growth strategy
 - Optimization of marketing / sales investments
 - Development of a company in the hospital market Business
 - Valuation for acquisition
 - Portfolio / franchise assessment
- Extension of product life cycle performance
 - Improvement mature products performance
 - Adaptation of price strategy
- Defense strategies vs. new entrants
- Competitive strategies in the hospital market
- Strategic partnerships companies / pharmacies

2 Management

- Facilitation and structuring of strategic thinking for multidisciplinary product teams
 - Key challenges identification
 - Strategic options formalization
 - Resource allocation optimization program
- Training of marketing and market research teams to sales forecast techniques (modeling and scenarios development)
- Development and implementation of a "coaching program" for area managers
 - Sales reps coaching
 - Regional action plans roll-out
- Development and implementation of a "sales techniques program" for sales forces (STAR¹)

¹ Sales Techniques Application for Results (training courser



3 Organization

- Rethink of operational units organization
- Improvement of sales force effectiveness
- Improvement of the distribution channels covering the hospital and retail markets
- Development of a strategic planning process