

ANUP SOANS

Fully Revised and Updated Second Edition

HardKnocks

For the

GreenHorn

A Stepping Stone for the Next Generation
Pharma Sales Professional



HardKnocks for the GreenHorn

atc

ANUP SOANS

HARDKNOCKS FOR THE GREENHORN

A Stepping Stone for the Next Generation Pharma Sales Professional

“You Cannot Solve Tomorrow's Problems with Yesterday's approach.”

- Albert Einstein

Copyright© Anup Soans 2010

*** The Horns of animals are still Green and Tender when they are young and get hurt when knocked around by the Herd. The result is painful but teaches the young animals valuable Traffic Rules and Survival Skills.**



Contents

PART ONE

Introduction to the Indian Health Care Industry	1
• The Indian Health Care Delivery System	
• Indian Pharmaceutical Industry	
• Careers in Pharma Sales and Marketing	
• Complementary Systems of Medicine	
• Continuing Medical Education	
The Role and Functions of a PSR	10
• Field Sales Management and Selling Skills,	
• Distributor as a Force Multiplier	
• Reporting and Pharma Hierarchy	
• Teamwork and Relationship Management	
• Time Management	
• Significant Therapy Areas in India	
• Products with Significant Market Share In India	
• Medical Specialties and Health Care Delivery	
Knowledge Management for the PSR	28
Knowledge of Customers,	
• Knowledge of the Territory,	
• Knowledge of the Products,	
• Knowledge of Competition,	
• General Knowledge	
• Industry Knowledge	
Presentation Skills	39
• Attire and Appearance,	
• Attitude and Approach,	
• Abilities and Aptitude,	
• Communication Skills,	
• Language Skills,	
• Body Language,	
• Work Ethics,	
• Personality	

Marketing for the PSR	46
<ul style="list-style-type: none"> • What is Positioning? • What is Differentiation? • What is Branding? • Pricing and how to overcome Price-related Objections. • New Product Launch • Pareto Principle and the Importance of Focusing • Public Relations for the PSR 	
Life Skills for Happiness	63
<ul style="list-style-type: none"> • Honesty, Integrity and Character • SWOT Analysis and its Application • The Peter Principle and How to Beat It • Daily Bread for A Healthy Soul • Books that will Change your Life 	
<ul style="list-style-type: none"> • Goal-Centred PSR - The End Product • Postscript 	73 74

PART TWO

Anatomy, Physiology and Pharmacology for the PSR	77
--	----

The Indian Health Care Industry in the New Millennium

"You cannot solve tomorrow's problems with yesterday's approach." - Albert Einstein

With a population of one billion, India's health care business is poised for a quantum leap, creating thousands of business and career opportunities for life science and other graduates.

A growing economy and an emerging middle class with access to higher incomes, medical reimbursement and health care insurance will result in an increased spending on health care. Factors such as rapid urbanisation and stressful urban living conditions will serve to fuel the increase in the incidence of diseases. India's disease burden has been predominantly of communicable infectious diseases due to poor hygiene and low awareness among India's poor and illiterate masses. The disease demographics have changed rapidly, and now heart disease, diabetes, obesity, anxiety, depression, HIV, AIDS, and a host of lifestyle disorders are on the increase.

An information-empowered middle class will demand an improvement in health care delivery so as to get a better value for their money. Individuals and organisations that recognise the changes and meet the new demands will benefit greatly.

According to a recent report in the Economic Times, the health care industry is larger than the IT industry and is also growing at a higher rate.

The Indian health care industry can be divided into the health care delivery sector and the pharmaceutical industry sector. The health care delivery sector comprises doctors, nurses, paramedics, technicians and the hospitals and institutions that diagnose and treat the sick. The pharmaceutical industry largely comprises companies engaged in the manufacture, research and marketing of bulk drugs and formulations in Allopathy and Complementary Systems of Medicine.

After you have done a thing the same way for two years, look it over carefully. After five years, look at it with suspicion. And after ten years, throw it away and start all over.

- A.E. Perlman

The Indian Health Care Delivery System

Despite the lack of a holistic health care policy that envisions meeting India's health care needs adequately, the Indian health care delivery system has grown rapidly in the last two decades. While super specialty care is available to those who can afford it, primary care remains inadequate for the vast majority of India's poor. Considering the resource constraints and the sheer patient load, government-sector hospitals here are providing better care than those in other developing countries. Corporate hospitals such as Apollo and Escorts have made a name for themselves in the area of international quality clinical care. The growth of corporate hospitals has also resulted in Allopathy gaining the upper hand while other streams of medicine like Ayurveda and Homoeopathy are lagging behind. Ayurveda, however, is staging a comeback by adopting marketing strategies similar to those adopted by Allopathic drug manufacturers. With over 220 medical colleges churning out approximately 25,000 allopathic doctors annually, the Indian health care delivery and pharmaceutical industry will be predominantly delivering a Western style of health care delivery in the urban areas. Despite several pressing problems, India's health care industry is a net employer and a significant revenue generator. The growth of the health care delivery and pharmaceutical business in India is certain to provide several career opportunities for qualified and skilled people.

In a survey conducted by Boehringer Mannheim and Total Learning Concepts, Inc., a Boston-based training firm, the two most prevalent general needs of physicians related to the representative-physician interaction. According to survey data:

- Representatives must be knowledgeable and informed.
- Representatives must be balanced in their technical, clinical, business, strategic, and consultative capabilities.

When asked what percentage of the representatives they encountered met their expectations, 36 per cent of the physicians interviewed said that only 50 per cent of the medical sales representatives they had met with had satisfactorily addressed their needs. Eighteen per cent of physicians stated that 40 per cent of medical sales representatives had failed to meet their needs completely. The physicians also described the "ideal representative" as an individual who:

- Provides complete and accurate knowledge about the product.
- Is fair and honest when explaining the products' clinical advantages/disadvantages.
- Can answer questions and help solve problems.
- Can provide current clinical information and resources upon request.
- Is pro-active when addressing problems and providing information.
- Is friendly and personable to physicians and office staff alike.

The new market realities will make everyone a GreenHorn and this book is a small beginning in the direction of equipping PSRs with KA\$H* for survival in the new millennium. The PSR is the pivot in the pharmaceutical business. He, along with his Area, Regional and National Sales Managers, is responsible for executing the pharmaceutical company's business strategy.

No strategy can go beyond the execution skills of its field personnel.

A new approach that positions the PSR as the lynchpin, around whom the company's strategy and resources are mobilised, is essential. The quality of the daily promotional work performed by the PSR holds the key to success in pharmaceutical sales. The more effective the daily work, the more will be the productivity.

The Knowledge, Attitude, Skills of the PSR needs substantial upgradation to meet the challenges. **HardKnocks for the GreenHorn** is the first in a series of books aimed at enhancing the role of pharmaceutical field sales personnel in India.

*Knowledge, Attitude, Skills and HardKnocks. (KA\$H)

No matter how successful you are, your business and its future are in the hands of the people you hire. To put it more dramatically, the fate of your business is actually in the hands of the youngest recruit.

- Akio Morita

Indian Pharmaceutical Industry

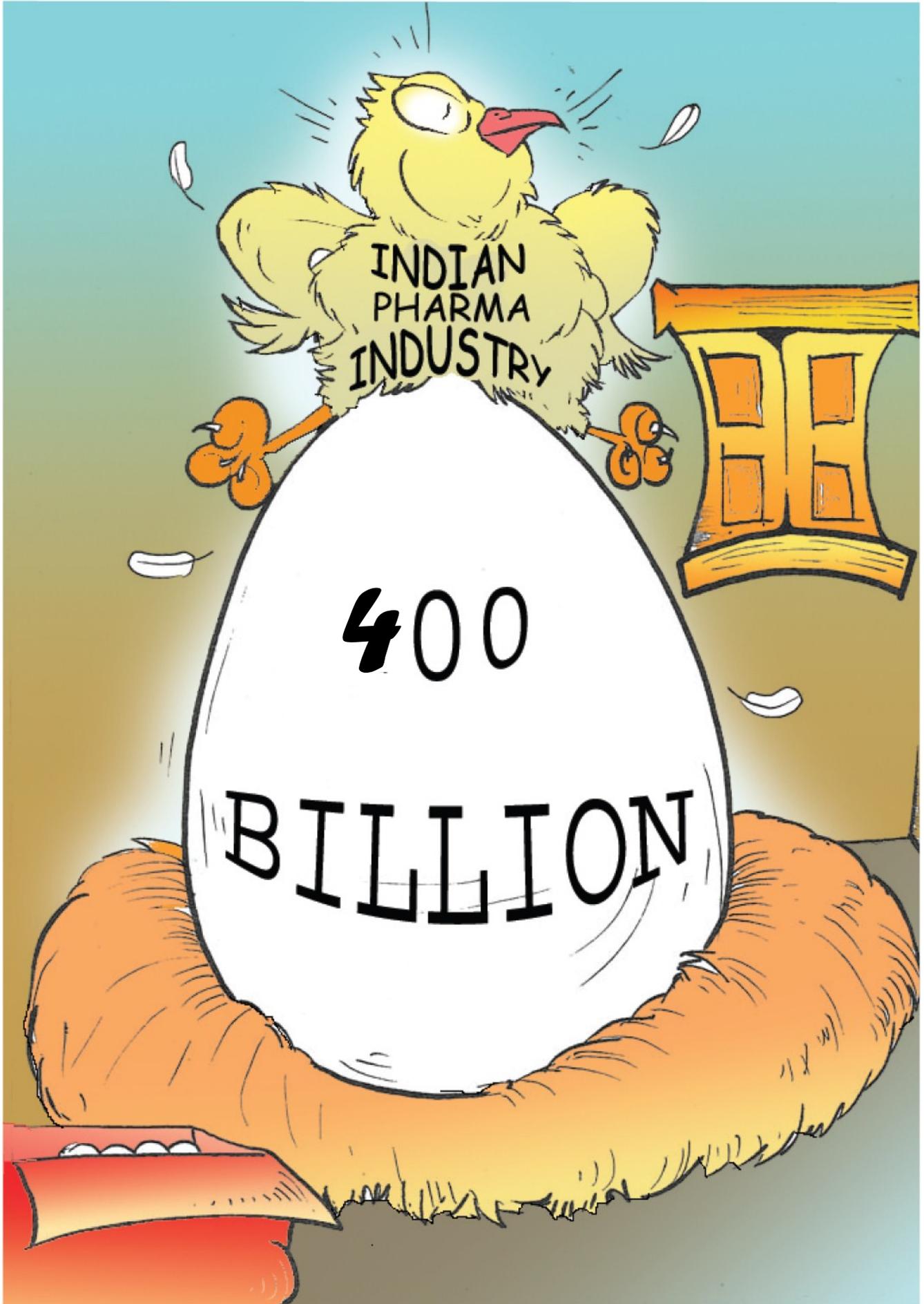
Like its healthcare delivery counterpart, the Indian pharmaceutical industry has grown rapidly and has a formidable international presence and reputation. The pharmaceutical industry in India can be broadly classified into MNC's, i.e., the Indian division of international pharmaceutical companies such as Aventis, AstraZeneca, Allergan, Franco-Indian, GlaxoSmithKline, Novartis and Pfizer, and home-grown companies such as Alembic, Alkem, Aristo, Cadila, Dabur, Dr. Reddy's, Ranbaxy, Cipla, Sun Pharmaceuticals, Glenmark, Himalaya, Khandelwal Labs, and Piramal. The Indian companies have acquired a very high level of technological competence through collaborations and the development of indigenous technology.

The Organisation of Pharmaceutical Producers in India (OPPI) articulates the interests of MNCs and the Indian Drug Manufacturers Association (IDMA) articulates the interests of Indian pharmaceutical companies. Indian Pharmaceutical Alliance is a new industry body of large pharmaceutical companies who have special interests, which differ from the interests of smaller companies.

In the last two decades, the Indian pharmaceutical industry has grown very rapidly and has a turnover today of Rs.200 billion (Rs.20,000 crore) annually. There are over 1,000 pharmaceutical companies engaged in the manufacture and marketing of nearly 60,000 formulations. There are 100 MNCs and large Indian companies, each employing hundreds of professional service representatives (PSRs) to promote their products.

For the Indian companies, the last decade has been the most eventful in terms of growth by new product introductions and exports. Liberalisation and Globalisation have not brought about the predicted demise of Indian companies, which through innovative strategies and an intimate knowledge of the market and consumer have shown a dramatic rise in their turnover both in the domestic and international markets.

The growth and competition has meant better prospects for pharmaceutical professionals, whose emoluments and opportunities have seen a quantum rise. In the final analysis, it is the people, whether in management or research, that make a difference in the knowledge-intensive pharmaceutical industry. Pharmaceutical companies nurture their talented and ambitious staff, and PSRs can look forward to a growth-oriented career in the domestic as well as international markets. Liberalisation and Globalisation will change the Indian Health Care Industry dramatically in the New Millennium; the PSR will need more than the traditional approach to meet the challenges of the emerging market. Even experienced Pharmaceutical Managers will need to fine-tune their skills or they will face obsolescence and redundancy.



Careers in Pharma Sales and Marketing

“Cave dwellers froze to death on beds of coal. Coal was right under their feet, but they could not see it, did not know about it, and, therefore, could not mine it or use it.”

The moral of the story: Ignorance is not bliss. Knowledge gives you power to change the course of your career and life.

Thousands of graduates, both men and women, are unemployed, underemployed, or do not have long-term career goals. They are not fully aware of the opportunities available to them. They land up in a job by chance, somehow manage to go on month after month and year after year, and end up frustrated, disgruntled and disappointed. What happens to these once-bright sparks? Where does their enthusiasm go? Why do they stop dreaming and pursuing their goals?

HardKnocks for the GreenHorn is designed to inform and equip young graduates with Survival Skills in a hyper-competitive sector.

Understanding the background in which an industry operates is essential for anyone desiring to make a decent career. Every town in India with a population of over one lakh has openings for qualified people (graduates, preferably in life sciences) to join the pharmaceutical industry as Professional Service Representatives (PSRs). They are also known as Medical Representatives, Territory Sales Officers, Business Managers, and such other titles as appropriate to the recruiting company's strategy and goals. Every company desires to have dynamic, hardworking and knowledgeable PSRs in their employment to further their business goals. Most PSRs are well paid and well trained, as they are the critical link in the pharmaceutical industry's business operations. The PSRs are responsible for achieving the company's sales targets on a monthly, quarterly and annual basis. Their Area Managers assist them in this task by regular supervision and guidance. Regional Managers, Product Managers and others also contribute to the PSRs' success, and a clear understanding of the company's objectives and sales process is essential for a PSR to succeed, excel and grow.

The aim of this book is to equip the PSR with the necessary Attitude, Skills and Knowledge. These facets will equip him with a distinct personality and differentiate him from his peers in the marketplace as a professional who performs his functions competently. The effective PSR can look forward to a rewarding career, which will enable him to earn well and grow professionally. The performing PSR must aim to be promoted within three to five years to the position of an Area Manager in his own company or wherever opportunity beckons. The more ambitious PSRs must earn a diploma or degree in marketing in order to qualify as Product Executives.

The main streams of career advancement for PSRs are: 1) As a territory and people manager responsible for achieving the sales targets of his team and territory 2) As a product and promotions manager responsible for developing and executing the marketing strategies of his company, and 3) Other health care-related service sectors. All these streams are challenging, and one must pursue the opportunities best suited to one's skills and inclinations or make the most of opportunities as they come. There is a dearth of talent for newer avenues like international marketing. There are openings too for the posts of training manager, sales administration manager and distribution manager. More avenues will open up in pharmaceutical-support fields such as Health Care Advertising, Health Care PR, Health Care Market Research, Health Care Publishing, and a host of allied industries that cater to the growing pharmaceutical and health care industry.

The pharmaceutical industry is full of top-level executives, including CEOs, who have been promoted from the ranks of PSRs. These were men and, nowadays, women with drive and attitude who acquired knowledge and skills and grew from one level to the next unmindful of the hardships and adversities they encountered along the way while moving themselves and their families to different situations and cities. They were always willing to adapt and learn new skills and face challenging situations on a daily basis in order to achieve their career goals. What is important is that one must make a beginning towards a fruitful career, and the role of a PSR is the ideal starting point even for IIM or other MBA graduates desiring to make useful careers in the growing health care sector.

“To be successful, the first thing to do is fall in love with your work. - Sister Mary Lauretta

The Role of a PSR

Big jobs usually go to the men who prove their ability to outgrow the small ones.

- Ralph Waldo Emerson

The PSR-level is the starting point of a career in the pharmaceutical industry. Pharmaceutical companies recruit and train PSRs with the clear objective of equipping them with the knowledge and skills that will enable them to achieve their sales targets on a monthly, quarterly and annual basis. The PSR performs a critical role in the pharmaceutical company's business plan. The PSR, along with the Area Managers, Regional Managers, Product Managers and Marketing Managers, is in the forefront of the pharmaceutical business' goals of achieving the market shares for their health care products.

The PSR is the main person with whom the doctor will have regular and periodic contact in the allotted territory. As the company ambassador, the most important job that a PSR has to perform is to regularly meet doctors and other territory constituents, communicate effectively with them, and develop a business relationship. It is the job of a PSR to ensure that this business relationship yields the expected results for his company's products. The results, in the form of prescriptions or purchases made, will be determined by the quality of this relationship. The quality of the relationship in turn will depend on the effectiveness of the PSR as a communicator. A doctor with a good clinical practice will meet at least five to 10 PSRs every day. Imagine the clutter of messages over a period of a month!

A PSR must answer the following questions to be an effective communicator:

- Did your message and manner inspire the doctor's trust?
- Has your communication focused on the doctor's need and been able to match it with your product's benefits?
- Have you been knowledgeable enough to clear the doctor's doubts and queries about your product?
- Did you position and differentiate your product correctly vis-à-vis other competing products?
- Was there something in your message that will remain with the doctor long after you left his chamber?

"Knowledge is knowing what to do. Skill is knowing how to do it and Attitude does it."

Field Sales Management

“Every night in the jungle, the Gazelle goes to sleep, knowing that in the morning when the Sun comes up, it must run faster than its herd members, otherwise it will become food for the Lion. Every night in the same jungle, the Lion goes to sleep knowing that in the morning, when the Sun comes up, it must run faster than the Gazelles or stay hungry or be satisfied with smaller prey. Whether you are a Lion or a Gazelle, you had better start running when the Sun comes up.”

Every field of business activity is characterised by an acute competitiveness, much like how the scene is in the jungle. The PSR has to be faster and better in his Selling Skills, have an Attitude to get up early in the morning before his competition does, possess a sound Knowledge of the jungle (territory), and be willing to work Harder and Smarter than the competition every day. Pharmaceutical field sales is one of the most challenging and complex assignments one can take up, and the rewards are immense for the performers.

There are highly professional and ethical doctors and chemists as well as some who are willing to cut corners. The type of customer may vary from a rural dispensing GP to a sophisticated foreign-trained specialist. Catering to such a varied clientele demands a high degree of skills that is not imparted by colleges or even pharmaceutical companies. Listening, reading, observing and being alert are critical to success. That is why mentoring is so essential in pharmaceutical sales. While company managers train PSRs and try to fill in the gaps in their knowledge during classroom training and field visits, such training is inadequate. Senior PSRs can give valuable tips about working on the field, and one meets scores of them on the field every day. Accept the good tips such as the timings of doctors and other factual details about the territory and reject the negative comments. Once your colleagues know your professionalism, the good PSRs will respect you, and you don't gain much from the others anyway. Observe successful PSRs and learn from their ways of working. Put the best strategies together and you will have your own unique field management methods best suited to your company's business.

Field Sales Management can be learnt better on the field rather than in the classroom, and a year on the field should set you on course. Many pharmaceutical companies ignore ethical issues and get entangled in a web of quick results, which have diminishing returns in the end. The large number of de-motivated and directionless field personnel moving around is proof of these prevailing practices. Develop friendships with achievers from other professions and learn to think and innovate instead of copying. Like any other professional, a PSR must abide by certain standards and scruples.



The jungle offers opportunities that can be tempting even to persons of very high integrity. There is a thin line between adjustment and complicity. This is why choosing a company based on its clearly stated values is more important than choosing it for remuneration and material benefits. A good career lasts a lifetime, and while one may change companies, the change should always bring material and moral satisfaction.

Successful field sales management revolves around:

- 1) Acquiring and updating selling skills.
- 2) Acquiring product-related knowledge.
- 3) Acquiring and updating territory information.
- 4) Knowledge of competition.
- 5) Time and Relationship management.
- 6) Presentation and Communication skills.
- 7) A Winner's Attitude that never gives up.

“Three things rob people of their peace of mind; work unfinished, work improperly done, and work not yet begun.”

“If you are willing to read **HardKnocks for the GreenHorn**, it means you are willing to do whatever it takes to build your career.”

K. Hariram, MD Galderma

HardKnocks for the GreenHorn is available at a special discount of up to 45% based on quantity for MedicinMan readers.

E: anupsoans@medicinman.net **M:** +91 934 2232 949

MedicinMan