

The Right Sales Strategy for the Right Customers at the Right Time

Cogent prescriber analysis leads to a dramatic shift in sales strategy

The Client: A mid-size pharmaceutical company asked Cogent to determine how to turn around the sales of its flagship product. Currently # 3 in its market, following a very strong launch, the client was concerned about the product's slowing growth rates, especially with another competitor product set to enter this specialty / primary care market in a few months time.

The Problem: Cogent's client had successfully launched Product "X" about a year ago. The first 6 months generated very high awareness and a 70% penetration of the top 4 prescriber deciles. Moreover the product still enjoyed a much higher share of new Rx's than overall and it had contributed approx. 60% to the total category growth. However, overall share had stalled at around 10% and did not seem to continue to go up. Even a significant boost in sales activity had not moved the needle notably. With the current market leader expected to launch another product within the next 6 months, our client was concerned about Product X's future.

- Was there a significant upside to its current market position and sales?
- How could the company take advantage of the window of opportunity before the next competitor launch to establish its Product X as solidly as possible?

The Solution: Cogent's first order of business was to determine exactly who was prescribing Product X and how it had gained its early share. Then we set out to find the root cause of the flattening sales growth and determine what might be done differently to re-invigorate sales growth and establish a solid market position prior to the competitor launch. Cogent's analysis was focused on three critical areas:

1. A detailed prescriber analysis, including prescription patterns from launch until today, a segmentation of the prescriber base to discover pockets of strength, and an assessment of where additional Rx's could be gained.
2. Review of all sales activities, including targeting (reach, frequency), messaging & recall, overall sales force productivity and a quantitative analysis of all these factors by prescriber segment.
3. Benchmarking of our client's product launch vs. other product launches in the same therapeutic area to uncover key success factors and areas for improvement.

As a result of this detailed analysis, it became clear that the client's early gains were mostly temporary in nature and that Product X was extremely vulnerable to not only stagnate at its current level of sales, but potentially decline rapidly when a new product enters the market. We also identified steps the client should take to solidify its existing customer base and protect (if not grow) its sales with current prescribers. This required a significant shift in sales strategy – not necessarily further expansion of the sales force, but concentrating resources where they mattered most and changing the overall messaging to build strong advocates rather than create more product trials.



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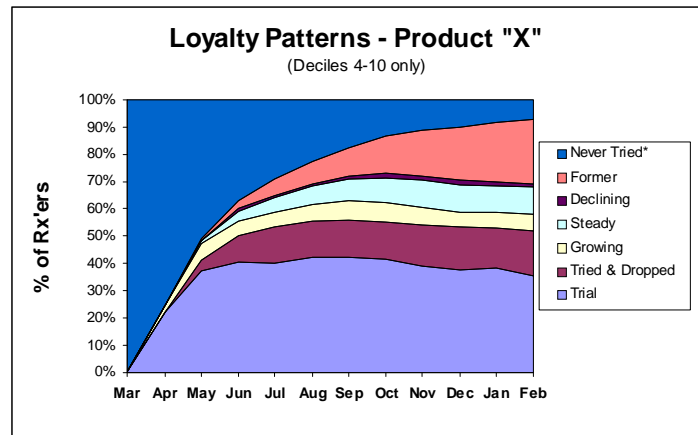
Prescriber Analysis

In order to really understand how prescription patterns changed when Product X was launched, Cogent looked at individual physician Rx data for over 160,000 prescribers, including primary care and specialists, from 12 months before the launch of Product X to the present. This included Rx data for 8 products for >24 months for every single physician who prescribed for this therapeutic area.

Cogent systematically combed through this overwhelming amount of data to (i) segment prescribers in traditional and non-traditional ways, (ii) map out Product X's use across these segments, and (iii) determine what likely future Rx' patterns might be expected based on physicians' Rx behaviors. The core analyses included:

- Prescriber potential (deciling of prescribers for each specialty and primary care physicians)
- Prescriber classification into early & late adopters, dabblers and spreaders vs. single product Rx'ers
- With respect to Product X, Cogent identified the adoption and loyalty patterns among all prescribers to identify who had tried Product X, who tried and dropped the product, who was growing their use of Product X, who was loyal, and who was reducing their share of patients for Product X
- These Rx patterns allowed us to show market share trends and projections by specialty, decile, and other physician classifications

Unfortunately, the picture that emerged clearly pointed to the fact that Product X's gains were mostly the result of new physicians trying the product. Only very few (<20%) had become primary and loyal users of Product X. Furthermore, prescribers who had tried and dropped the product (or merely experimented with it) far outnumbered those who were growing their use of Product X. So even though NRx share (new prescriptions) was still high, the conclusion pointed towards a decline of Product X in the coming months.



Lastly, we were able to show that our client's share among the most important prescriber segments (i.e., the specialists who influence treatment standards and the highest volume – top decile – prescribers) had Product X shares below average. Our client had simply not established a high amount of true advocates among the most critical segments of their customer base.

Sales Activity Analysis

Armed with these findings about the prescription patterns across all prescriber segments, Cogent studied the client's selling efforts to find an explanation for their current performance.



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Again going back all the way to the product launch, we looked at monthly call data to determine not only overall sales investment (total calls made), SF productivity (calls per day), but also who was being called on (% reach), how often (call frequency over a 12 month period), and how this evolved as physicians changed their prescription patterns. We also looked at the core messages the sales team was using and reviewed market research regarding message recall and similar qualitative SF feedback.

Cogent's key findings of the client's sales activities went a long way to explaining the prescription patterns we had observed.

- While sales force overall efforts (i.e., detailing) were generally allocated proportionally to higher volume prescribers – as they should – this was not the case for the top decile (highest volume) prescribers and key opinion leaders where client was clearly underinvesting
- Furthermore, sales visits to the leading specialists (the group initiating the majority of new prescriptions, which would be refilled or copied by many GPs), were lagging as well. Given that these specialists also made up the majority of top decile prescribers, our client missed an opportunity on two fronts: generating Rx's and setting examples for other prescribers to follow
- Very importantly, we found that call frequency (i.e., # of visits to an individual prescriber) was overall very low: 70% of target doctors received fewer than 4 calls over the course of one year.
- While frequency had increased among GPs, it had not changed much at all among the most important targets: specialists and top decile prescribers.

The analysis showed beyond doubt that our client's sales results directly mirrored their sales efforts – which were geared more towards generating broad product trial, but not towards getting the top opinion leaders and high volume prescribers to become true advocates for the product.

Benchmarking a Competitor Launch

To validate that the selling strategy could change Product X's market position, Cogent needed to explore how other competitors' selling strategy and their results compared. A similar analysis of the prescription data and competitor sales call activity data became a compelling case study of how to achieve quicker and more sustainable market penetration.

The comparisons were striking: The competitor had a much more disciplined approach to targeting and sales call allocation. The most important prescriber segments had the highest call intensity (i.e., frequency) and lower decile prescribers received markedly less attention. The higher call intensity probably reflected a more concerted effort to address prescribers' questions and overcome barriers.

As a result, the competitor – after a similar time on the market – had surpassed Product X in all key performance metrics *for the top decile docs* (although not for the lower decile doctors). The competitor's sales efforts had generated the same reach, a higher top decile market share, a higher number of Rx's per prescriber, and a higher adoption rate (i.e., doctors who used the competitor product regularly, not just here and there).



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Key Performance Indicator	Decile 10		Deciles 4-9		Total Market	
	Prod. "X"	Prod. "A2"	Prod. "X"	Prod. "A2"	Prod. "X"	Prod. "A2"
Prescriber Breadth	90.0%	89.3%	74.4%	64.1%	34.4%	26.8%
Market Share	9.3%	9.7%	10.8%	8.2%	10.4%	7.7%
Share per Writer ¹	10.4%	10.9%	13.8%	11.9%	15.5%	13.2%
TRx per Writer	14.8	15.7	5.3	4.7	4.1	3.9
% of Rx'ers prescribing >=20% of product ²	10.3%	12.8%	17.4%	11.0%	15.3%	9.5%
Avg. TRx per active Rx'er (all products) ³	144.0		36.8		13.5	

Even after 5 months on the market, Product "A2" outperforms Product "X" in decile 10 (while still lagging Product "X" overall)

Conclusions and Results

A solid analysis and clear presentation of the facts left little doubt as to what needed to be done. The initial launch strategy – to visit a broad base of physicians and expose them to Product X – achieved one goal: a rapid increase of doctors who tried the product. However, it left our client with a weak base as the conversion from trial to routine use and product advocacy had not been achieved. Furthermore, it was foreseeable when the total prescriber pool had been tapped and sales would flatten or even decline.

As such, the time had come to shift focus toward generating true product believers and advocates. Our client needed to build a core set of loyal prescribers who would not immediately switch when a new product comes to market.

The client realized that a shift in selling strategy was required. Narrower focus, higher call frequency on top targets, call objectives to create conviction of Product X's advantages rather than a mere trial, and a 'maintain & defend' call pattern for the most important prescribers around the time of the new product launch. Sales reps needed to be trained to have a deeper dialogue, identify questions, and handle objections – posing a new challenge in an environment where reps compete for every minute that the physician will give them. To implement this shift in selling strategy effectively, new sales messages needed to be developed, rep training adapted, targeting goals revised, and even the sales incentive structure needed to be revisited.

Cogent's scenario planning was able to show that even without any further increase in overall sales reps or sales calls, a mere refocusing of efforts could result in a 16% gain with top prescriber segments without sacrificing sales in other areas. In fact, one could build the case that spill-over from the top prescriber segments would ultimately have a positive impact on other prescriber segments as a significant % of their prescriptions are refills of prescriptions initiated by specialists.