

10 WAYS TO DRIVE PERFORMANCE

PHARMACEUTICAL
SALES & MARKETING



COGNOS[®]

THE NEXT LEVEL OF PERFORMANCE™

While every attempt has been made to ensure that the information in this document is accurate and complete, some typographical errors or technical inaccuracies may exist. Cognos does not accept responsibility for any kind of loss resulting from the use of information contained in this document.

This page shows the publication date. The information contained in this document is subject to change without notice.

This text contains proprietary information, which is protected by copyright. All rights are reserved. No part of this document may be photocopied, reproduced, stored in a retrieval system, transmitted in any form or by any means, or translated into another language without the prior written consent of Cognos Incorporated.

The incorporation of the product attributes discussed in these materials into any release or upgrade of any Cognos software product – as well as the timing of any such release or upgrade – is at the sole discretion of Cognos.

U.S. Government Restricted Rights. The accompanying materials are provided with Restricted Rights. Use, duplication for disclosure by the Government is subject to the restrictions in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFARS 252.227-7013, or subparagraphs (c) (1) and (2) of the Commercial Computer Software – Restricted Rights at 48CFR52.227-19, as applicable. The Contractor is Cognos Corporation, 67 South Bedford Street, Burlington, MA 01803-5164.

This edition published December 2004.
Copyright © 1989-2004 Cognos Incorporated.

TABLE OF CONTENTS

TAKE THE FIRST STEP TOWARD CORPORATE PERFORMANCE MANAGEMENT:

ALIGN YOUR TACTICS WITH STRATEGY	1
1. IDENTIFY YOUR MOST VALUABLE CUSTOMERS.....	2
2. ALIGN RESOURCES TO OPPORTUNITIES.....	2
3. ACHIEVE THE BEST RETURN FROM TRAINING AND DEVELOPMENT COSTS ...	3
4. BUILD YOUR BRAND TO BUILD BUSINESS	3
5. ANALYZE THE SUCCESS OF MARKETING CAMPAIGNS	4
6. TRACK SAMPLES AND MONITOR REGULATORY COMPLIANCE	4
7. USE SCORECARDING TO SET GOALS AND PRIORITIES	5
8. MANAGE YOUR BUDGETS.....	5
9. DEFINE EFFECTIVE MESSAGES AND FREQUENCY OF PHYSICIAN VISITS ...	6
10. SHARE INSIGHTS AND INFORMATION EASILY	6
ABOUT COGNOS	7

TAKE THE FIRST STEP TOWARD CORPORATE PERFORMANCE MANAGEMENT: ALIGN YOUR TACTICS WITH STRATEGY.

Aligning employee actions with strategic corporate goals is perhaps the most pressing challenge facing companies today. Whether you're trying to track and analyze revenue, identify top performers, or measure the effectiveness of your marketing campaigns, you need a way to show how each one aligns with and supports strategic goals.

This guide presents a number of practical ways in which you can begin the alignment process in your sales and marketing departments—two high-profile and high-impact areas that have a significant impact on your company's bottom line. And it provides you with a number of potential starting points on the road to corporate performance management (CPM)—the strategic combination of people,

processes, and Cognos software that can produce breakthrough performance enterprise-wide.

Cognos CPM software supports alignment at every level of your organization, across every department. Enterprise planning drives your operating plan, scorecarding monitors your performance against that plan, and business intelligence delivers the analytics required to understand the factors that affect your performance.

With Cognos, you can build on the planning, budgeting, scorecarding, and reporting activities that you already have in place, and integrate new capabilities when you're ready, at your own pace.

The key is to start small, and start now.

1. IDENTIFY YOUR MOST VALUABLE CUSTOMERS.

Who are your most valuable customers? Those who buy the most? The ones who buy the most often? Those who spend the most money? Or those who cost the least to support? In most cases, the only way to identify your best customers is to answer each of these questions separately and then combine the answers in different ways to find the point where they intersect for the best results.

Cognos can help you find that point. We unite data from different points across your company to deliver a detailed and in-depth view of customer factors such as purchase

patterns, revenue, growth, lifetime value, satisfaction, service calls and costs, total sales to date, and more. You can profile your customer buying patterns to focus on the ones who are the most likely to deliver the best returns. And you can share this information across your organization. For example: a national sales manager could receive an in-depth look at which drugs are performing best in each region, while a sales rep might view a list of local doctors who are most likely to buy in the next quarter, based on their past purchase patterns.

2. ALIGN RESOURCES TO OPPORTUNITIES.

With the average sales visit lasting a mere three minutes, it's important for your sales reps to make the most of every opportunity. But where do the best opportunities lie?

Cognos gives you the information you need to pinpoint the strengths and weaknesses in your sales force to help you streamline your sales process, lower the cost of sale, and allocate resources more effectively to maximize opportunities. You can identify your top sales reps by product, city, region, or country in a matter of seconds. Compare the cost of sales to revenues—by customer, sales rep, and region, then decide whether you have the

right reps and resources in the right places to meet your goals. You can also determine which reps and regions aren't meeting their targets and find out how long this has been the case. You can gauge the effectiveness of your sales and marketing collateral to get the most out of your budgets. Identify your most profitable resellers. Identify which managed care plans are a benefit to your business and which can be contracted out. Track your distribution network to extend your reach and improve channel effectiveness.

In 1995, there were 17 blockbuster drugs released.

In 2002, there were 48.

3. ACHIEVE THE BEST RETURN FROM TRAINING AND DEVELOPMENT COSTS.

If you're in HR, you know that your company spends more money on salary, bonuses, training, and development than on any other line item in the budget. But is that money well-spent? You need to know that your training expenses, compensation, and incentives deliver increased sales, higher productivity, and improved ROI. You also need to know that your people have the skills and knowledge required to be as productive as possible.

Cognos lets you get the maximum benefit out of your HR costs. You can measure the effectiveness of your training and development programs by setting new performance targets and then correlating the cost of the programs with the number of employees who meet those targets. Identify the skills that contribute to high performance to develop a profile of exceptional employees. Then use this information as the basis for your compensation and reward plans and communicate them throughout your company to encourage the right behaviors.

4. BUILD YOUR BRAND TO BUILD YOUR BUSINESS.

How can you maximize your brand awareness and capture mindshare without breaking the bank? By gaining a clear understanding of which marketing activities give you the biggest return on your dollar. Cognos software can help you streamline your branding activities by comparing the cost of individual campaigns to the number of impressions and responses they generate.

You can measure the cost of media programs versus the revenue they produce. And harness the hard data you need to determine the most effective media for branding—the key to building sustainable business.

5. ANALYZE THE SUCCESS OF MARKETING CAMPAIGNS.

Your marketing plan for your latest antacid calls for direct-to-consumer television and print campaigns, incentives for your reps to sell more to their customers, and an aggressive discounting plan nation-wide. Each tactic has a different budget, a different audience, and a different goal. How do you gauge your overall success?

Cognos gives you the answers. You'll know which promotions are paying dividends, which are costing you more than they bring in, and why some work better than others with a particular customer group. You can quickly analyze each and every campaign to eliminate low-impact promotions and concentrate on the marketing

efforts most likely to succeed. You can track your campaign progress against key performance indicators like campaign ROI, total exposures, response rates, call center activity, and more. You can also monitor marketing program execution in the field and link each initiative to actual sales. Reduce the cost-of-sale by targeting customers who are ready to buy. Increase the return on your promotion investment by offering your best promotions to your best customers. And identify your best lead generation activities based on facts rather than feelings.

6. TRACK SAMPLES AND MONITOR REGULATORY COMPLIANCE.

Increasingly stringent regulations demand the kind of detailed, comprehensive reporting that takes time, costs money, and distracts your sales reps from closing sales. With Cognos software, your people spend less time worrying about compliance and more time selling.

Our software provides timely, easy-to-understand information about drug samples so your reps can

concentrate on what's important. If a sample variance crops up, they can be notified to take corrective action before the information becomes dated. Managers can track sample usage at the national level to better place this valuable resource. You can track lot numbers and automate FDA reports to save time and money.

7. USE SCORECARDING TO SET GOALS AND PRIORITIES.

Communicating a common set of priorities and coordinating your decision-making process across your organization can be one of your biggest challenges. You need to ensure that your expectations for your sales and marketing teams are consistently applied, measured, and reported on regardless of rep or region.

Cognos scorecarding ensures that everyone in your organization—from the boardroom to the reps in the field—shares the same information at the same time, all the time. Everyone uses this information to identify performance issues and to focus on the areas crucial to

your success. Every employee can view and understand their performance against key indicators like sales, growth, and market share, and then compare them to call activity, reach, frequency, and sales expenses. They can clearly see how their decisions and actions impact the overall strategy. And they can make the link between your company's priorities and their own departmental objectives. Powerful analytics let anyone drill down into greater detail to find out what's affecting performance. Collaboration tools help you share insights.

8. MANAGE YOUR BUDGETS.

Sales costs are soaring. Budgets are shrinking. And the demand for accountability is rising. Senior managers want more detailed and more reliable information about financial performance. Cognos delivers it by integrating and automating all of your core financial processes—budgeting, planning, consolidations, forecasting, and reporting. We present a unified view of your sales and marketing budgets that can be easily seg-

mented by department, project, or territorial expense level. You'll always know where you stand against your plan. And you'll have the clear, concise, and accurate information you need to analyze your current financial performance and predict future performance with confidence.

There are five times more drug reps today than there were in 1995.

9. DEFINE EFFECTIVE MESSAGES AND FREQUENCY OF PHYSICIAN VISITS.

Your customers are dedicated to helping their patients lead longer, healthier lives. Your products can help them in that mission. But how do you capture their attention and deliver that message?

Cognos helps you get your messages across quickly, efficiently, and with the least amount of interruption. Our software helps you weed out low-impact messages and focus on those that resonate most with your customers

and prospects. They help you clearly define your marketing messages and let you monitor the duration and frequency of physician visits. Detailed reports help your reps closely track the number of times they've contacted each customer, the length of each call or visit, and the content discussed to help them make the most of their and their customers' time.

10. SHARE INSIGHTS AND INFORMATION EASILY.

Competitive pressures mean that success in sales and marketing requires an increasingly greater degree of integration. This means sharing ideas, information, and insights while they can still be acted upon.

Cognos enables integration and collaboration. We can integrate information about sales volume, customer profiles, market share, sales activity, ongoing promotions, and marketing programs into a single source of

data that's instantly available to anyone and everyone who needs it. Our scorecards let you communicate your plans and strategies as a set of interconnected performance indicators. Our dashboards display performance data from multiple points across your organization in a single display. Collaboration and coordination become simple and effective.

The average sales call for a pharma rep lasts three minutes.



ABOUT COGNOS

Cognos is the world leader in corporate performance management software for the enterprise. Our solutions let companies drive performance with enterprise planning and budgeting, monitor performance with enterprise scorecarding, and understand performance with the reporting and analysis of enterprise business intelligence. Cognos is the only company to support all these key management activities as a complete solution from one vendor.

Founded in 1969, Cognos today serves more than 23,000 customers in over 135 countries around the world. Cognos performance management solutions and services are also available from more than 3,000 partners and resellers worldwide.

CONTACT US

For more information about Cognos solutions for the pharmaceutical and biotechnology industries, visit us at www.cognos.com/solutions/pharma/index.html



WWW.COGNOS.COM