

A study on Training Requirements of Pharmaceutical Sales representatives with Special Reference to Erode District

* M. Sadika Sultana - ** Dr. L. Manivannan - *** Dr. Mohan K. Pillai

ABSTRACT

Indian pharmaceutical industry is encountering several challenges in the current scenario of economic downturn. The study was carried out to understand the training requirements of Pharmaceutical Sales Representative that can augment them to meet the competitive drug market, and to withstand the competition from MNC's and other global players from abroad. Previous studies have revealed that preference of MNC drugs over Indian company drugs and a well trained Pharmaceutical Sales representative is very helpful in such a scenario. The study arrived at divulging the current methods and goes on to suggest the changes or improvements that need to be made in order to face the challenges from abroad. The study was done on 410 Pharmaceutical sales Representatives from erode district, and it was found that there is a need to improve the same. Tools like chi- square test, percentage analysis and Garrett Ranking Test were carried out to gain an insight on the opinion of the Pharmaceutical Sales Representatives. The study revealed that stress relief training and increasing the duration of the training were ranked at the first and second position as far as areas where training is required.

Introduction

Pharmaceutical sales was considered a noble profession at least 20 or 30 years ago, where the doctor waited for the sales professional to gain valuable updated information on medicine and enrich his knowledge. But the scenario has changed to a great extent, where there is cut throat competition in the market. One can witness a new

brand every week; the companies launch the product when several brands have already captured the market, presumably imposing huge targets on their field staff. He points out that sales representative should choose the right product for the right doctor, determining the prescription potential of the doctor, deciding the target product etc.

* Guest Faculty, Dept.of International Business, Pondicherry University, Puducherry- 14

** Reader, Dept. of Corporate Secretary ship, Erode Arts College, Erode-9

*** Prof & Head, Dept.of International Business, Pondicherry University, Puducherry- 14

In the modern competitive scenario of the Indian pharmaceutical industry, where business plans of the companies are frequently driven by high level of personal sponsorship, the companies spend huge sums on the doctors. But nowadays, they are formulating strategies to cut down on the spending and other target areas, and for the successful implementation and establishment of pharmaceutical selling in India.

The Personal Selling Process

According to Garner (2004), the steps in the personal selling process include:

Prospecting in which the sales person identifies qualified potential customers, **Pre-approach**, in which the sales person learns as much as possible about a prospective customer before making a sales call, **Approach**, in which the sales person meets the customer for the first time. **Presentation**, in which the salesperson tells the "product story" to the buyer, highlighting customer benefits, **Handling objections**, in which the salesperson seeks out, clarifies, and overcomes customer objections to buying, **Closing**, in which the salesperson asks the customer for an order, and **Follow-up**, the last step in the selling process, in which the sales person follows up after the sale to ensure customer satisfaction and repeat business.

Exchange of Pharmaceuticals

The pharmaceuticals pass through several

points in the long route they take to reach the customer, in this case the patient. The manufacturer who produces them, the wholesaler who is a dealer or stockist, stores medicines from several companies, selling them at wholesale or bulk rate, the retailer, or the medical shop owner, to whom the prescriptions are sent through a physician. The patient buys the drugs according to the prescription of the physician. Unlike other FMCG, pharmaceuticals have to be prescribed by doctors and are a very important point in the long chain of the drug use.

Training Pharmaceutical Sales Representatives

The pharmaceutical manufacturer has to decide on the number of sales representatives he needs to cover a particular area or territory. The sales representatives are also instructed as to how many physicians, stockists, and retailers he has to meet in a day. The most important part is meeting the physician. The reason is that the prescriber can make a difference in making or breaking the pharmaceutical sales business. Although there are over the counter drugs available which the customer can decide on which brand to buy. But as far as the important drugs such as lifesavers, and other serious medicines, doctor is still the king. It is the responsibility of the company and thereby, the sales representative to convince the doctor about the better quality and superiority of his brand of drugs over the others, so that the doctor can make a prescription.

Aspects of Training

The pharmaceutical sales representatives receive formal training in several aspects. They have to have knowledge about their own company products, the competitor's products, and several aspects of anatomy and physiology of the human system, and also in soft skills, communication skills etc. Besides these areas, they have to have the required physical stamina because they have to travel a fixed distance each day, carry a fixed weight in samples and meet a required number of physicians in order to carry out detailing about the new products and other strategies the company is adopting from time to time in marketing of their products.

There are three to four most important aspects of training. The first involves home study where they have to learn about the anatomy and physiology of the human system, where the candidate is given scientific and technical resources in the form of manuals, books, or other e-resources. The second aspect involves field training where initially the newcomer will be made to accompany a trainer and will be expected observe and grasp all the soft skills, the various aspects of the drug right from the color of the tablets, its indications, the side effects etc. They also learn how to approach a physician, the retailer, wholesaler etc. Some organizations also train their representatives about how to approach medical graduate students, in

which case they can capture a prescriber or patron right from medical school itself.

The third aspect of the training involves familiarity with technological aspects such as using the company software on details of the drugs, and other marketing information systems.

The fourth aspect involves selling skills on how to present the various characteristics of the drug, how to ask the relevant questions to the physician and the retailer. In all, the representative should have proficiency not only in the scientific aspects but also the marketing or business aspects where in he is trained to make good presentations, convince the physician about the various attributes of the product and as to how to close the sale. The representatives are also expected to send feedback about how the products are received in the market and if there is any problem then how to remedy so that they can increase the sale of the products.

In modern times, the advances in Information Technology have changed the very nature of marketing, and pharmaceutical marketing is no exception. The representatives have to be in constant touch with the office through cell phones or internet, check how the drug is accepted by the physician, keep in touch with customers etc. Moreover, many multinational companies are entering the market and the local companies have

to stand the competition in the market, and this requires training the respondents to meet the challenge of the representatives from the global players.

Enhancing the awareness and the knowledge level of the sales representatives is imperative, and weaknesses are never forgiven in such a cut throat competition. Companies also prefer new graduates who are young and energetic, and can work for less pay than the experienced representatives. Therefore, updating knowledge, skills, cultivating good customer relationship (CRM), are basic necessities.

Review of Literature

Ruzicic and Danner (2007) in their article entitled "Sales force effectiveness: Is the pharmaceutical industry going in the right direction?" have reported that the healthcare environment for the pharmaceutical industry is undergoing major changes, salesforce effectiveness replaces the traditional 'size sells paradigm'. Consequently, pharmaceutical companies are being forced to optimise both their bottom and top line. This paper applied a quantitative approach based on an interactive survey to analyse these developments. The survey results confirmed major trends, including the growing importance of development of salesforce, size and structure will soon head in a different direction as sales representative numbers

stop growing. Clearly, there is no silver bullet with which pharmaceutical companies can increase salesforce effectiveness. The industry is, therefore, preparing for the future by exploring and piloting innovative sales and marketing models. Once they have identified a suitable approach to salesforce effectiveness and implemented it in the best possible way, companies can create competitive advantages.

Mulki et al (2007) in their study entitled "Lone wolf tendencies and Salesman performance" have reported the relationship between lone wolf tendencies and task and contextual performance, job satisfaction, and turnover intentions with a sample of 331 pharmaceutical sale people. Results reveal that lone wolf tendencies lead to a lower contextual performance as represented by the dimensions of helping, courtesy, and sportsmanship. Task performance gets subsequently reduced. Ultimately, turnover intentions are higher based on lower job satisfaction of salespeople with lone wolf tendencies. These have managerial implications such as disruption of team work.

Mukhopadhyay (2007) in his report entitled "Target Maintenance – Exposure product model: A proposition for effective pharma selling" has given an elaborate account on the subject of pharmaceutical selling and the changes that the life of sales representative has gone through.

Pharmaceutical selling has gained immense momentum in the recent years leading to brand promotion through personalized communication.

Goel (2007) in his report has mentioned that the Indian industry is expected to be \$35.7 billion by the year 2012. The growing healthcare market accompanied by the socio economic changes in the population has made the Indian healthcare industry an attractive investment proposition. He also reports that the gap between the talent pool and industry demands.

McGuire (2007) in his report on "New sales Representatives receive 184 hours training" has given the recent development in hiring new sales representatives. Newly hired pharmaceutical sales representatives can expect to receive an average of 184 training hours during their first year on the job, a recent study from business intelligence firm Cutting Edge Research found. Self-study activities, such as use of reading materials, workbooks, CDs and DVDs account for 19% of training while field based training accounts for 17%. according to the study, "Pharmaceutical Sales Training Groups: Building Better Sales Forces." Companies in the study included Bayer, Connetics, Daiichi Sankyo, Wyeth, Pfizer, Forest Labs, Genzyme, Gilead Sciences, Orientare, Solvay and UCB Pharma.

Shaw (2007) in her article entitled "How do they do it- secrets of super reps" has outlined a few

ideas on how successful sales representatives manage to do that. A minority of pharmaceutical sales representatives show consistently higher sales than the rest of the field force. In a study, the top representatives were found to be successful not just because of higher call rates or superior product knowledge. Their success could be attributed to their belief, their flexibility and their interpersonal skills, language and behavior, and skills. These factors can all be improved by appropriate training of managers and representatives.

Study Area

The study was carried out in the rural areas of Erode district. The district has a population of 23.20 Lakhs accounting for 4.2% of the State's population as per 1991 Census against the share of 6.3% of the geographical area of the state. The population projected for the year 2000 is around 25.06 lakhs.

The rural population consists of 75.29% of the total population, as compared with states' average of 65.85%. The density of the population is 283 per Sq.Km as against the states' average of 429 per Sq.Km. Erode district is one among the industrially developing districts. Industry and Trade occupy a place of prominence in the economy of the district. The district has more than 30 large hospitals, around 800 retail medical shops, and over 20 wholesalers and stockists.

Objectives of the study

The important objectives of the study are as follows:

- To study the level of satisfaction of the sales executives about training facilities in their respective organizations.
- To study the opinion of the Pharmaceutical Sales Representatives about current training, and the training requirement to face the tough competition in the market.

Limitation of the study

The study suffers from the following limitations:

This study was confined to the Pharmaceutical Sales Representatives from Erode district of Tamilnadu and the results cannot be extrapolated to the other states. Further, the survey method which was adopted for collecting primary data has its own limitations.

Research Methodology

In order to understand the training requirements of the Pharmaceutical Sales Representatives, a systematic research design was planned and the details are as follows:

Simple stratified random sampling method was used to collect the pertinent data from the respondents. The study was conducted in Erode

town and hence the sample for the study was selected among the sales representatives of pharmaceutical industry in Erode. The sampling units of the present study were the Pharmaceutical Sales Representatives in Erode district. The sample size was 410 respondents.

Field work was carried out to collect data from the respondents. The respondents were met in person, the questionnaires were distributed and the objective of the study was explained to them and the queries were answered so that a clear understanding the necessity of the data collection could be done by the researcher. A pilot study was carried out with 25 questionnaires and the drawbacks were corrected with the help of experts in the field and other researchers.

Both primary and secondary data were collected. Besides the primary data the secondary data was also collected from the area profile, websites, books, various magazines, journals and other library books were referred for this purpose from the library to facilities proper understanding to the study.

Areas of focus of the study

The study aimed at understanding the training needs of the pharmaceutical sales representatives. The demographic profile of the respondents, the training received by them in their respective organizations, the level of satisfaction perceived by the respondents, and their opinion on the future needs in terms training was also determined.

Data Analysis

Data collected through questionnaire were coded and were systematically recorded in SPSS software. Data cleansing was carried out and data were preserved in the SPSS software. Statistical tools like

1. Percentage Analysis
2. Chi-square Test and
3. Garrett Ranking Technique were used to rank the most important training requirements.

Results

The study was carried on 410 pharmaceutical sales representatives on various aspects of training. The results of the study are presented in the following tables.

Demographic factors and Level of satisfaction perceived in training

In order to understand the level of satisfaction perceived by the respondents on the training received in their respective companies, a chi square test was performed and the results are presented in table-1.

Table-1

Demographic factors and level of satisfaction perceived in training

Factor	Degrees of freedom	Calculated c ² value	Table value	Remarks
Age	6	0.1485	12.592	Not Significant
Marital Status	2	15.127	5.991	Significant at 5% level
Educational Qualification	6	1.809	12.592	Not Significant
Income	6	1.655	12.592	Not Significant
Experience	6	1.809	12.592	Not Significant
Wealth Position	6	13.868	12.592	Significant at 5% level

The table given above clearly shows that there is no significant association between Age, Educational qualification, Income level, and experience of the respondents and level of satisfaction perceived in training activities. It also shows that there is a significant association between the Marital status, and wealth position of the respondent and the results is significant at the 5% level.

Daily routine of the respondents: percentage analysis

The respondents were encouraged to give details about their daily routine while performing their job. A simple percentage analysis was conducted and the details are furnished in the following table. The majority responses alone are presented.

Table-2

Daily routine of the respondents: percentage analysis

S.No	ATTRIBUTE	PERCENTAGE OF RESPONDENTS
1.	No. of doctors visited in a week (5 to 10)	58%
2.	Strongly agree on training needs	61%
3.	Increase in sale after training	92%
4.	Method of training(in groups)	52%
5.	Duration (5- 10 months)	51%
6.	Trained	91%

From the above table it can be seen that a good majority 58% of the respondents meet 5 to 10 doctors in a week, 61% of the respondents strongly agree that training is needed in their organization, a vast majority of the respondents 92% have the opinion that there is increase and improvement in their sales performance after the training, 52% of the respondents have received training in groups, as far as the duration of the training and taking part in training is concerned, 51% were of the opinion that they undertook training for 5 to 10 months 91% have undergone training at the time of the survey.

Problems faced by the respondents

In order to understand the problems faced by the sales representatives in selling drugs, and in order to understand the same with relation to training, a Garrett Ranking Test was performed and the results are presented in the table given below.

Table-3
Problems faced by the respondents

S.No	Problems	Total Scores	Rank
1.	Presentation/ Detailing	43870	IV
2.	Lack of Resources	54940	I
3.	Language problem	45920	III
4.	Travel	50840	II
5.	Stress	43050	V

From the above table it is clear that Lack of resources was ranked first with a Garrett score of 54940 points, followed by Travel problems at the second rank with a Garrett score of 50840 points, Language problem was ranked third with a Garrett score of 45920 points. Presentation/ Detailing and Stress were ranked at the fourth and fifth ranks with Garrett scores of 43870 and 43050 points respectively.

Respondents opinion on training requirements

In order to study the opinion of the training requirements of the pharmaceutical sales representatives, a list of training aspects were identified and the respondents were asked to give their opinion on the same. Garrett ranking was performed to assess the importance of the listed entities. The results of the same are presented in the table given below.

Table-4
Respondents opinion on training requirements

S.No	Attribute	Total Scores	Rank
1.	Communication skills	52480	V
2.	IT related techniques	54120	IV
3.	Stress relief training	66830	I
4.	Increase duration of training	66010	II
5.	Provide more technical training (knowledge update)	63960	III

From the above table, it can be seen that Stress relief training was ranked first with a Garrett score of 66830 points, followed by "Increase duration of training" at the second rank with a Garrett score of 66010 points. "Provide more technical training (knowledge update)" was ranked third with a Garrett score of 63960 points. IT related techniques and Communication skill training were ranked fourth and fifth with Garrett scores of 54120 and 52480 points respectively.

Findings

The study was aimed at understanding the training requirements of the pharmaceutical sales representatives. The following are the key findings of the study.

- It was found that 91% of the respondents had received training, 92% were of the opinion that their performance was improved after the training, and 61% of the respondents strongly agree that there is a necessity for further training in their respective organizations.
- The study revealed that there is a significant association between the marital status, and wealth position of the respondents.
- It was found that lack of resources was ranked as the first ranking problem faced by the respondents.
- 4. The study revealed that stress relief training and increasing the duration of the training were ranked at the first and second position as far as areas where training is required.

Suggestions and Conclusion

The foregoing study was aimed at understanding the training needs of the pharmaceutical sales representatives. A few suggestions are worth mentioning.

- It is suggested that the duration of the training has to be increased and it has to be conducted more often because of the speed with which the new developments are taking place in the market.
- Updating knowledge of the respondents is very essential and resources should be duly provided in order to stand the competition because pharmaceutical industry is highly knowledge based.
- Marketing Information systems should be introduced and a record of the feedback from the market has to be carried out.
- Soft skill training, computer skills, and provision of new IT Gadgets can be undertaken so that they can be well prepared even on the move.
- Most importantly, as stress is a major problem which affects the performance, stress management training should be given to the respondents.

The foregoing account was a preliminary effort in the ongoing long term study of the various aspects of pharmaceutical marketing in which the

pharmaceutical sales representatives are a very important part, and it should be considered that training them is as essential in making a strong market presence.

Reference

- Garner Dewey D.(2004)in Principles of Pharmaceutical marketing, Mickey Smith Ed, pp 272- 300
- Ruzicic Aleksander and Danner Stephan (2007) in their article entitled "Sales force effectiveness: Is the pharmaceutical industry going in the right direction?" Journal of Medical Marketing , Vol: 7,No:2, pp 114 – 125.
- Mulki Jay Prakash, Jaramillo Fernando, and Marshall Greg W,(2007), "Lone wolf tendencies and Salesman performance" vol: XXVII, no: 1, pp 25- 38.
- Mukhopadhyay.R, (2007). "Target Maintenance – Exposure product model: A proposition for effective pharma selling", Marketing Mastermind, pp 29- 35
- Goel Sunil (2007), Pharma Bridge, pp.36.
- McGuire Stephen (2007) February, Medical Marketing and Media, pp 26.
- Shaw Judy (2007) "How do they do it- secrets of super reps" Pharmaceutical sales management, March 13th