

# CASE STUDY

## INCREASING OVERALL EFFICIENCY AND WORK LOAD CAPACITY OF SALES REPS

TERRITORY RE-ALIGNMENT FOR A RARE DISEASE DRUG COMPANY



The overall  
efficiency  
increased  
by 10% post-  
realignment

### SUMMARY

Rapid market changes such as product launch, new product indication, shifting product priority, loss of brand exclusivity, etc. require pharma sales teams to respond swiftly to the challenges to manage operational efficiency, minimize business disruption and improve sales rep productivity at the same time.

Over the course of a year, up to 50% of sales territories can become up to 20% larger or smaller due to the impact of cumulative drift. Meaning, even with regular alignments, territories tend to 'drift' away from optimum, often leading to imbalanced territories that result in decreased productivity. Such inefficiencies impact the final sales, making it imperative to conduct regular alignment calibrations.

The following case study discusses how Axtria helped one of the leading rare disease drug makers increase their operational efficiency by leveraging both traditional and non-traditional metrics.



The company was already engaged with Axtria in call planning. As a delighted customer, they wanted the same partner to work on the alignment design

### BUSINESS SCENARIO

The company wanted to conduct a re-alignment exercise for its drug in the gastrointestinal (GI) market with two key objectives:



The GI sales team previously detailed two products. With the loss of exclusivity for one of the products, there was a need to balance the field force workload to maximize the effectiveness of sales representatives in each territory



Re-align the team from 75 to 60 territories and development of a new hierarchy based on reduced headcount



### PROJECT CHALLENGES

1. Rare drugs have low patient count, which makes every prospect crucial. The company needed to ensure a fair distribution of patient-specific metrics, apart from planned calls across territories.
2. The company wanted to leverage non-traditional metrics relevant to a rare drug scenario such as:
  - Patient potential
  - Targets
  - Prospects
  - Leads who may write the prescription
3. Maintain a tighter alignment index tolerance of +/- 15% for balanced territories. It was a tough mandate considering that even few prescriptions make a physician valuable for a rare disease.



## AXTRIA'S APPROACH

Axtria leveraged a blend of people, process, and technology to deliver an effective solution to the client. The team consisted of alignment experts with 12+ years of experience and Principals having over 15 years of consultative experience in SFSS, alignment, and sales analytics project. The design was done using Axtria's propriety tool – Axtria Sales IQ™, an integrated sales planning & operations platform, along with other Geographic Information System (GIS)-based platforms.

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### ASA FIRST STEP, A SET OF GUIDING PRINCIPLES WERE IDENTIFIED TO ESTABLISH AN APPROACH, INCLUDING:

#### TERRITORY DESIGN

- Using current alignment as the starting point to minimize disruption
- ZIP-based territories
- Not considering the rep locations to avoid bias in territory design

#### WORKLOAD BALANCE / ALIGNMENT INDEX

- Considering planned calls and number of territories to design alignment index that would enhance workload efficiency (assigned calls) by ~10%
- Ensuring similar alignment index in each territory

#### GEOGRAPHICAL CONSTRAINTS

- Designing territories within access range i.e. designed around highways and minimum travel time
- Maintaining territories that are above tolerance range to avoid disruption and bridges

#### TARGETS AND PATIENT POTENTIAL

- Additional targets post label enhancement in the alignment design
- Maintaining a fair distribution of patient potential in ~60 territories

#### BALANCED SPAN OF CONTROL (SOC)

- Designing the SOC as per the confirmed hierarchy i.e. ~60 territories, 8 regions and 2 areas from the initial 75 territories, 11 regions and 3 areas
- Keeping the SOC for regional manager within 6 - 8 territories





Customer coverage was maximized as high-tiered (segment) targets per territory increased by 20%

### RESULT

Based on concentrations of business opportunities, ~60 well-balanced territories were recommended. The key deliverables to the client included:



**Final  
ZIP-Territory  
and Hierarchy**



**Alignment  
summary with  
relevant metrics**



**Map Packets –  
regions shaded by  
territories**



**Final  
alignment  
analysis**

### BUSINESS BENEFIT

As a result of the effort, the company benefitted from a leaner workforce that was aligned to well-balanced territories of equitable workload.

- The overall efficiency increased by 10% post-realignment
- Customer coverage was maximized as high-tiered (segment) targets per territory increased by 20%
- All balanced territories were brought under the alignment index tolerance of +/- 15%
- The new alignment structure optimized the travel time for reps as factors like highways and drive distance were taken into consideration
- All the above was achieved with minimal disruption to sales rep-physician relationship, post realignment

### CONCLUSION

Territory alignment is a recursive exercise to tap the ever-changing dynamics of a pharma sales team. It is imperative to conduct the exercise to yield maximum productivity out of each sales rep. Territory alignment ensures the well-oiled functioning of commercial operations.

With an ensemble of conventional & highly-customized plug-ins for various situations, Axtria has helped several clients in achieving success in this field.

Founded in 2010, Axtria™ is a Big Data Analytics company which combines industry knowledge, analytics and technology to help clients make better data-driven decisions. Our data analytics and software platforms support sales, marketing, and risk management operations in the life sciences, finance, retail, and technology industries. We serve clients with a high-touch on-site and onshore presence, leveraged by a global delivery platform that focuses on reducing the total cost of ownership with efficient execution, innovation, and virtualization.

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