

# CASE STUDY

## INCENTIVE COMPENSATION AUTOMATION FOR A GLOBAL TOP 5 ANIMAL HEALTH COMPANY

ENABLING PLATFORM-DRIVEN INCENTIVE COMPENSATION OPERATIONS FOR FASTER (30%), ON-TIME (100%), AND ACCURATE DELIVERY OF INCENTIVE COMPENSATION TO MOTIVATE THE FIELD AND DRIVE DESIRED OUTCOMES.



### INTRODUCTION

The global animal health (AH) market is on a growth trajectory and is expected to grow at a compound annual growth rate (CAGR) of 4.8% between 2021-2028<sup>1</sup>. In this growing market, it is imperative for AH companies to ensure that their field forces remain motivated to drive the desired sales behavior and outcomes. It has become necessary for AH companies to identify and eliminate the bottlenecks in their existing incentive compensation (IC) processes by leveraging high velocity, digitized, and platform-driven operations.

This case study illustrates the implementation of Axtria's tailored solution for a global AH company to eliminate inefficiencies in its global IC program.

### BUSINESS SCENARIO

A global top five AH company wanted to eliminate inefficiencies in its global IC program. The initial target was to onboard its core affiliate country within three months, followed by a solution roll-out across other high-value markets within the following year.

To accomplish the objectives, the company needed an experienced partner with a strong understanding of the AH domain and the capability to handle large-scale, global implementations through a proven platform solution approach.

### CHALLENGES

The key challenges that prevented streamlined global IC operations and necessitated the need for a cutting-edge, platform-driven global solution were:

- **Unavailability of data**

There was a lack of account-level/veterinarian market data – a challenge that was compounded further by the absence of national-level data aggregators in the AH industry. This made the sales tracking and goal-setting process quite extensive and challenging as a lack of IC grade data required multiple additional processes to be performed by Axtria before initiating the IC administration process.



- **Frequent changes in the IC process due to sales strategy migration impacting the IC administration cycles**

To improve its competitiveness and meet the evolving business requirements, the company planned a sales strategy transformation. They needed Axtria to gauge the real-time impact of changes in the IC processes to better align their strategy with new realities. This led to multiple iterations in the IC process, including incentive plans that often overlapped with live IC administration cycles resulting in a considerable reduction of time available with Axtria to execute the administrative process.

- **Frequent geographic alignment movement of the stock-keeping units (SKUs) leading to persistent territory-level goal changes**

The company followed an annual (SKU level by account) goal-setting process to align IC operations with its overall business strategy. After finalizing the SKU level goals, sales were rolled up to arrive at geographic goals and sales. However, underlying business dynamics led to frequent alignment movements of the SKU-level goals across geographies, often in short time intervals. This led to persistent territory-level sales and goals fluctuations, resulting in inconsistent goal-setting and IC payout computation processes and high field query volume.

- **Data anomalies leading to frequent recalculations**

Due to upstream data concerns, the transaction-level data was not as clean as it should be. This led to data corrections and reruns.

## AXTRIA'S SOLUTION

A thorough analysis of the company's challenges and requirements led to the implementation of a tailored solution designed to handle the nuances of the AH market, based upon the following four drivers:

**State-of-the-art  
Axtria SalesIQ™  
platform**



**Subject matter expert  
(SME)-led consultative  
approach**



**Big data  
capability**



**Robotic process  
automation (RPA)**



The solution had the following key features:



### INNOVATIVE DATA HANDLING APPROACH

To minimize the impact of data anomalies, Axtria set up a robust process for daily settlement and cleansing of transaction-level data in Axtria SalesIQ™, a cloud-based sales planning and operations solution with embedded analytics. It also implemented sales apportioning algorithms in Axtria SalesIQ™ to achieve fair and rule-based alignment of territory/rep-level data for the products marketed by multiple selling teams.



### BIG DATA AND RPA-DRIVEN DAILY PROCESSING

The company faced frequent delays in receiving crucial data files due to the lack of a robust daily reporting process. As this was an essential requirement, Axtria set up a focused process using big data tools and RPA-driven automation in Axtria SalesIQ™ to provide an accurate and timely daily performance report to the home office.



### EFFECTIVE HANDLING OF FREQUENT SKU-GEOGRAPHIC ALIGNMENT MODIFICATIONS

Though the goal-setting process was conducted annually, Axtria planned and executed daily goal-processing cycles in Axtria SalesIQ™ to neutralize the impact of geographic-level fluctuations resulting from frequent SKU-geographic alignment modifications. This helped in the alignment of annual SKU-level targets with appropriate geographies.



### INCREASED TRANSPARENCY

To track data adjustment and override instances for improving transparency, “approval workflows” and “audit trails” were provided as out-of-the-box features through Axtria SalesIQ™. These features helped keep track of data modifications while aligning the business unit leadership with data adjustments/overrides.



### DASHBOARDING SOLUTION WITH DAILY REFRESH FREQUENCY

Axtria SalesIQ™ was configured for the dashboarding module with daily refresh frequency and a detailed granular view feature. It helped to keep the field and leadership aligned with the ever-evolving business dynamics.



### IMPLEMENTING FIELD INSIGHTS

To align the IC processes with actual field situations, Axtria set up a dedicated process in Axtria SalesIQ™ to capture and act upon the suggestions received from the field. As part of this process, the field suggestions were regularly evaluated for feasibility, followed by Axtria SalesIQ™ enhancements after discussion with the client leadership.



### GLOBAL OVERSIGHT COMMITTEE

A Global Oversight Committee reviewed all requested platform changes and blueprint improvements. Both the client and Axtria SMEs represented this team. This allowed a dynamic approach to ensure all countries had the same benefits based on global learnings and best practices.





## BUSINESS BENEFITS

The Axtria SalesIQ™ implementation resulted in highly streamlined, efficient, and automated global IC operations for the company. This was previously fragmented and prone to delays and errors. The following were the key outcomes achieved:

- A global multi-lingual platform-based solution with a focus on localization needs
- 30% reduction in processing time by streamlining and automating operations
- Onboarding time for new markets reduced by 20%
- 2,700+ daily reports delivered with SLA adherence
- Significant increase in field engagement levels due to the inclusion of field insights which helped in increasing the transparency of operations
- Accurate annual IC payout of \$40M
- 100% on-time delivery of business-critical reports
- Fast and low-cost change requests for timely response to business dynamics

## CONCLUSION

AH companies can leverage Axtria SalesIQ™ to transform their global and local IC operations through delivery timeline optimization and enhanced accuracy. Axtria SalesIQ™ supports global IC strategies while staying true to localization needs through its platform-driven and fully digitized IC approach. Axtria SalesIQ™ delivers new market implementations significantly faster with its blueprint model, and at a lower cost compared to a conventional approach.

### To learn more, read:

- Case study on [\*Complex Incentive Program Implementation For Global Markets With 12,000+ Sales Reps Across Animal And Human Health\*](#)
- Infographic on [\*Animal Health - Commercial Operations Trends And Challenges\*](#)

### REFERENCES:

1. Verified Market Research. (Jun 2021) Global Animal Healthcare Market Size By Drug Type, By Animal-Type, By Route of Administration, By End-User, By Geographic Scope And Forecast. Available at: <https://www.verifiedmarketresearch.com/product/animal-healthcare-market/ians-want-educational-content-in-medical-email-marketing/>

Founded in 2010, Axtria is a global provider of cloud software and data analytics to the life sciences industry. We help life sciences companies transform the product commercialization journey to drive sales growth and improve healthcare outcomes for patients. We continue to leapfrog competition with platforms that deploy artificial intelligence and machine learning. Our cloud-based platforms - Axtria DataMAX™, Axtria SalesIQ™, Axtria InsightsMAX™ and Axtria CustomerIQ™ - enable customers to efficiently manage data, leverage data science to deliver insights for sales and marketing planning, and manage end-to-end commercial operations. We help customers in the complete journey from data to insights to operations.

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