TO BE TRULY EFFECTIVE, KEY ACCOUNT MANAGEMENT NEEDS BETTER TECHNOLOGY

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The shift to key account management in the pharmaceutical industry is here to stay: Payer and provider consolidation and integration continues to accelerate, decision-making power continues to shift away from the physician, and pharmaceutical drug pricing is under more and more pressure due to the volume-to-value payment model transition. Unfortunately, though, too many pharma companies are falling behind. Instead of fully committing to adopting key account management methods, they're going through the motions and largely sticking to operational capabilities that have been entrenched in the industry for decades.

This is most noticeable when it comes to the technology being deployed to support the changing key account management business model. Many companies are defining key account management strategies and evolving their HQ and field roles but have made only limited changes to the technology being used to support their key account management business model needs. In this new value-based world, pharma companies must adopt key account management technologies that go beyond basic capabilities, like account planning, and focus more on helping the organization work together to drive value to customers on a day-to-day basis.

So, what are the critical technology requirements for supporting KAM? "Account planning" is often the answer that we hear from our pharma clients, and while it's no doubt an important need, it's only one piece of the puzzle and a capability that is often used only one or two times a year, primarily for strategic planning purposes, and then shelved. However, in many other cases, our clients recognize that their needs go well beyond account planning – it's just that identifying those other critical technology needs for KAM remains elusive for many.

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To identify these additional technology needs for key account management, we should first identify the differences between the historic one-to-one physician selling model versus the evolving key account management model in pharma:

- First, it's now a "many-to-many" selling model between the pharmaceutical manufacturer and its customers. Multiple pharma selling roles are supporting the needs of various customer stakeholders who are influencing decisions critical to pharma manufacturers

- The definition of "value" has fundamentally changed. The clinical value of a pharmaceutical product remains very important, but healthcare payers and providers are increasingly focused on needs and priorities that go beyond a product's clinical attributes.

- Driving customer value requires end-to-end collaboration across both field and home office roles, like brand and channel marketing, medical, health economics and outcomes research, and legal and compliance. Internal silos should be broken down to drive a more customer-centric approach.

- Key account management requires a shift in the measurement of commercial performance, evolving from a laser-sharp focus on short-term, sales-based metrics to longer-term leading and lagging success indicators, as well as performance metrics that are shared between the pharma manufacturer and its key customers.

With these considerations in mind, here are four technology best practices that will allow pharma organizations to drive value to customers via key account management:

1. **Build and maintain centralized value proposition playbooks.** Key account managers need a tool kit that helps them understand your company's various solutions and offerings. These playbooks should not only include the value messages about the clinical attributes of your products, but also other capabilities that might be important to your customers (for example, information about patient adherence programs or real-world evidence capabilities). It takes a village to build and maintain effective value proposition playbooks, but by leveraging technology you can help your brand and channel marketing, medical, HEOR, legal and compliance departments collaborate in shaping your value propositions. An organized internal structure of value propositions and offerings will help key account managers better understand the value that they can bring to their customers and develop more valuable and strategic customer relationships.

2. **Tailor value propositions to each key account.** Ask yourself what your customer's needs and priorities are, and how you and your organization can help meet those needs. A centralized technology platform should allow KAMs to tailor value propositions to customer needs and involve leadership in the process.

3. **Estimate and reinforce value delivered to key accounts.** When pursing jointly sponsored programs, jointly agreed-to measures of performance also need to be defined. To support this critical area of key account management, arm KAMs with calculators or estimators that they can use to prove impact to customers.

4. **Collaborate with customers and internal stakeholders.** Collaboration is one of the hallmarks of key account management. KAMs need to work closely with home office personnel to define and shape potential customer solutions and offerings. Various field roles must work together to pull-through initiatives, and field teams need to collaborate with their customers to manage jointly executed programs. To enable collaboration and drive efficiency and scalability, implement technology solutions such as collaboration portals, centralized account management systems and coordinated program execution.

As pharma settles into the key account management business model, companies need to step beyond recycled or poorly constructed tools and technology designed for the one-to-one physician selling model. The customer model has changed, and there are few things that have higher stakes than customer engagement. A serious commitment to IT investment will help you drive customer value through key account management —and increase value to your overall business, too.

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