7.0 INTRODUCTION

As stated earlier that primary data was collected from the pharmaceutical sales personnel. In addition to the questionnaire the researcher had interaction with the various field managers and the senior marketing officials at the corporate level from where relevant information has been obtained and assessed.

Criteria for Organizing a Region/Area

A region or area is normally organized based on the geographical segmentation and also as per the convenience to the Pharmaceutical Company. By and large it was observed that the same criteria with marginal variation are being followed by the various pharmaceutical companies. For most of the pharmaceutical companies, Mumbai region comprises of Mumbai Metro, Mumbai Suburban, Thana and Raigad districts. These districts are subdivided into regions, areas, headquarters depending upon the potential of the market, penetration strategy (including the division wise product range) of the company. Geographically also it is convenient for the Senior Managers to move around in the field working with medical representatives which ensures complete customer coverage, building rapport with the target customers, better field control and also convenient in terms of communication.
Normal Span of Control for Area/Regional Manager

An Area Manager, who is normally a front line field position, controls 5-6 Medical Representatives (MR's). In metro city like Mumbai, a Area Manager based at Bandra will handle all the MRs based from Bandra to Borivali and ABM based at Kalyan will handle MRs based at Kalyan and Kalyan down i.e. Kalyan, Ulhasnagar, Ambernath, Badalapur, Karjat etc.

Similarly, A Regional Manager will handle around 5-6 Area Managers. Each Pharmaceutical company has its own field control hierarchy and also the designations may differ for sales personnel in different companies.

Industry Level Salary and Perks

The gross salary package for a medical representative may range from ₹ 1.0 lakh to ₹ 2.5 lakhs per annum depending on the company profile, seniority etc. Front line field managers like area managers get a gross package of around ₹ 2.5 to ₹ 3.5 lakhs per annum. The Regional Business Managers get around ₹ 4 lakhs. It differs to a great extent in Indian companies as well as in multinational companies. This gross salary package is excluding the incentives earned by a medical representative.

The Perks differs in different Pharmaceutical companies. Sales personnel has Daily Allowance (DA) as well as Traveling Allowance (TA), Yearly performance based increments and Incentives. Incentives could be Product based, Sales Target (Monthly/Quarterly/Annual) achievement based. Many companies also give Kit allowance, Petrol allowance, Telephone reimbursement, Postage/courier expenses etc. Necessary proof of expenses need to be attached with the monthly expense statements and sent to HO after the approval from their immediate seniors.
Many companies have Sales / Performance related incentives in the form of foreign tours with Spouse or may be in India outing to different famous locations for specified period.

These all are motivational methods which helps them to achieve their set targets.

**Table 36 : Different Training Programmes conducted by Pharmaceutical Companies for their Field Force**

<table>
<thead>
<tr>
<th></th>
<th>Induction/Basic Training</th>
<th>Field Training</th>
<th>Orientation/Refresher Training</th>
<th>Special skill development Training</th>
<th>Total no. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Representatives</td>
<td>580</td>
<td>713</td>
<td>289</td>
<td>145</td>
<td>713</td>
</tr>
<tr>
<td></td>
<td>81.35%</td>
<td>100%</td>
<td>40.52%</td>
<td>20.34%</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Filed survey data
Product promotion in pharmaceutical companies is different from Consumer industry, Consumer durable or service industry. In Pharmaceutical sector, Training of Sales Personnel is utmost important as the product promotion by Sales personnel, is to the well learned customers i.e. Doctors who in turn, if satisfied, prescribes the product/brand to the consumers i.e. the patients, the ultimate users of the products/brands.

A thorough knowledge of the product and the basics of marketing, imparted through a training session, will make a medical representative better equipped to improve performance in the field.

Different Pharmaceutical companies have different Training policies to train the field force-
1. Few companies, after the selection, put the sales personnel in field for few months to get the initial field exposure. During this period, on the job, field training is given by their immediate seniors for few days. After completion of may be 3 or 6 months, they are called for Full fledged training at the Company training centers or Head Office and training of 1 week or 2 weeks or up to 1 month is given depending upon the company, their nature of products etc.

2. Few companies, immediately on their selection of sales personnel, put them under training for few weeks and then send them into field. The Refresher training programmes are also kept regularly for the senior sales force who have spent couple of years in the company (MR's / Area Managers / Regional Managers/Sales Managers) in order to keep them updated keeping market, competition, new product launches etc. in mind.

**Sales Target Setting**

Exercise of target setting starts in most of the Pharmaceutical companies, somewhere 3 months in advance before the new financial year starts. Different Pharmaceutical companies have different financial year viz. April – March OR Jan. – Dec. etc. Most of the Indian companies follow April – March whereas most of the multinationals observe Jan. – Dec. as the financial year period.

The formats are sent to all level managers 3 months in advance. These formats are based on Head Quarter wise, Product wise(Dosage form/Sales pack wise), Month wise targets where generally a past data of last 3 years and projections for budgeted year is to be filled up based on the market trend, prescription analysis, seasonality of the products, different weather
contingencies, disease patterns, company focus, field expansion etc. The senior field managers based on the past data and their intense interactions with their field colleagues makes Head quarter wise/Product wise/month wise sales forecasts in units and value and sends to marketing dept. at Head office.

After receiving the above data at HO, the data is compiled and matched with final corporate sales budget. Senior field managers from all 4 zones are called to head office and Budget meetings are organized, where the intense discussion on all aspects of budget is kept and also compared against the market trend as per the external market research organizations like ORG-IMS stockiest data, prescription audit data or C.MARC Prescription audit data etc. After all this exercise, budgets are finalized and sent to all the sales personnel for their own Head quarters, Areas/Regions/Zones etc. which they need to achieve on month to month basis and earn handsome incentives apart from their salary etc.

**Table 37: Selection / Effective Hiring Process for Medical Representatives**

<table>
<thead>
<tr>
<th>Recruited through placement agency</th>
<th>From News Paper advt.</th>
<th>Recommendation from the Field Manager/s and Channel partners</th>
<th>Total No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
<td>145</td>
<td>545</td>
<td>713</td>
</tr>
<tr>
<td>3.23%</td>
<td>20.34%</td>
<td>76.43%</td>
<td></td>
</tr>
</tbody>
</table>
Graph 14 : Selection / Effective Hiring Process of Medical Representatives

Broadly the pharmaceutical sector following the below detailed procedures, for selecting their field level personnel:

- Preparatory phase: competency modeling or job description by analyzing the job for which hiring is to be done and coming up with validated success factors.
- Preparing elimination factors.
- Preparing interview questions.
• Articulate interpersonal and cultural fit qualities for the company sourcing

• Preparing advertisements using success factors—advertising on job boards and newspapers

• Pulling profiles from job boards, own data bank

• Screening technical test/aptitude test: Using benchmarked data for eliminating candidates at each stage

• Psychometric profiling using validated tests.

• Prepare candidate for the next round by briefing on company, profile, culture, about interviewers.

• Interview: use line managers for the interview. Structured interviews have proven to be more reliable. One could use Behavioural Event Interview (BEI) which delves into a candidate's past experiences and behaviours to determine future success. Add to this, is a set of situational interviewing questions designed to test a prospective candidate's approach to real-life situations which he or she may encounter on the job

• Reference check to track past record and any exceptions
Following is the selection process of medical representatives in Eli Lilly:

**Eligibility Criteria**
Candidate should be Science or Pharmacy graduate.

**Age**
25 or below.

**Experience**
1 to 2 years.

Should have good communication skill.

Eligible candidates are put through the following process for their selection:

1) First written test:
   a) Aptitude and
   n) Knowledge test
2) After passing written test, Personal interviews are kept.
3) HR interview.
4) Medical fitness test.
7.1 MOTIVATIONAL TOOLS USED IN PHARMACEUTICAL MARKETING

Following motivational tools are used. It differs from company to company:

1. Lucrative incentive scheme which is either in cash or kind or may be both
2. Foreign tours confined to the Asian countries
3. New Year as well as gifts on various festivals
4. Yearly increment
5. Promotion to the higher grade
6. Internal Club Membership
7. Merit Certificate

7.2 TRAINING POLICY IN PHARMACEUTICAL COMPANIES

Broadly speaking the below detailed training programmes are conducted for the MRs.

1. Programme duration 10 to 30 days.
2. One month’s class room training.
3. 3 to 6 days field induction by the immediate senior.
4. After one or two year’s, refreshers training programme.

In Piramal Health Care, it is named as Impact Training programme and in CIPLA, it is called as Face the Glass
### Table 38: Problems faced by the Medical Representatives

<table>
<thead>
<tr>
<th>Problem</th>
<th>Total No. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bogged down by Administration work</td>
<td>603</td>
<td>84.6%</td>
</tr>
<tr>
<td>Setting of unachievable targets</td>
<td>388</td>
<td>54.4%</td>
</tr>
<tr>
<td>Problem of getting Doctors Appointment</td>
<td>580</td>
<td>81.4%</td>
</tr>
<tr>
<td>Stockiest / Chemists demand more attractive schemes</td>
<td>303</td>
<td>42.5%</td>
</tr>
<tr>
<td>Irrational offers from the competitors</td>
<td>136</td>
<td>19.1%</td>
</tr>
</tbody>
</table>

### Graph 15: Problems Faced by the Medical Representatives

- **Bogged down in Admin. Work**: 603 (84.6%)
- **Setting unachievable targets**: 388 (54.4%)
- **Problem of getting Drs. Appointments**: 580 (81.4%)
- **Stockiest / Chemists demand more attractive schemes**: 303 (42.5%)
- **Irrational offers from the competitors**: 136 (19.1%)
From the above data presentation, it can be seen that out of 713 respondents 603 i.e. 84.6% MRs have reported that the problem faced by them relates to the daily administration work which they have to do, 388 i.e. 54.4% feel that the targets set out by the management are unachievable, 580 i.e. 81.4% of the MRs have reported that their problem is in getting doctors appointment and 303 MRs i.e. 42.5% feel that stockiest demand for attractive schemes and the irrational offers given to doctors, chemists, stockiest etc. from the competitors account for 19.1%. This shows that the main problem of the MRs is in seeking appointment of the doctor’s community which can be solved by increasing rapport with the doctor’s. As regards the second problem faced by these MRs, relates to Administration work such as sending daily work reports and sending them daily through mail/ courier etc. There is need for changing the mind-set of the MRs where their immediate seniors can play a major role in convincing them.

1. Administrative work is tedious. Daily reporting, couriering, copies to the managers etc.
2. Now a days Company expectations are increasing in terms of higher targets, higher Doctor Call average which is leading to high work pressure, stress, tension.
3. Getting Doctor appointments are difficult now a days. Also the waiting at the Doctors clinic may go from one to two hours.
4. Many time chemists misguide.
5. Stockiest are not giving orders in time.
6. Unethical means adopted at Doctors / Chemists / Stockiest by many pharmaceutical companies.
7. Chemists ask for more bonus schemes.
8. Doctors demand have increased
9. Irrational Product schemes, bonus offers, irrational activities by the competitors.
10. Threats from propaganda companies.
11. Doctor’s associations demanding donations for their respective associations for giving calls and also implementing the systems like Gold card / Silver card system etc.

Table 39 and Graph 16: Level of Satisfaction of Sales Personnel about Incentives Offered by the Pharmaceutical Companies

<table>
<thead>
<tr>
<th>Partially satisfactory</th>
<th>Not satisfied</th>
<th>Fully satisfied</th>
<th>Total No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>102</td>
<td>23</td>
<td>588</td>
<td>713</td>
</tr>
<tr>
<td>14.3%</td>
<td>3.2%</td>
<td>82.5%</td>
<td></td>
</tr>
</tbody>
</table>

Level of satisfaction about the Incentive schemes

![Bar chart showing the level of satisfaction about the Incentive schemes]
From the above data it can be seen that 588 i.e. 82.5% of the MRs are fully satisfied with the incentive schemes offered by the company. Hardly 23 MRs accounting for 3.2% only have expressed their dissatisfaction about the incentive schemes. This percentage is negligible and can be ignored. 14.3% MRs are partially satisfied.

Each company has its own incentive scheme for the sales personnel. It is based on the performance. In most of the companies, average monthly pay package range between ₹ 6000 to 20000/ plus incentives. Incentives are almost equally sizable. E. g. (1) Incentive range from ₹ 1 lakh to ₹ 2 lakh per annum for MRs. MRs are allowed to use two wheeler upto 75 Kms. for which they get reimbursement of petrol expenses at pre-decided rate. Above 75 kms., they get actual bus /train fare.

Eli Lilly multinational company: MRs are called as Territory Manager. Package is around ₹ 1.75 to 2.00 lakhs. Their incentive is around ₹ 1.50 lakhs per annum. Area Manager, package 2.3 to 2.75 lakhs per annum. Gets incentive also which is dependent on the performance of the MRs reporting to him/her. In Eli Lilly MRs, are allowed for two wheeler up to 100 Kms. for which they get reimbursement of petrol expenses at pre-decided rate. Above 100 kms., they get actual bus /train fare.