

Wyeth Pharma: Sales success with an IBM Cognos solution



Overview

■ **Challenge**

Turn large quantities of market and company data into solid, actionable information for Wyeth's sales team

■ **Why IBM?**

Wyeth already had good experiences with IBM® Cognos® products, and found that the IBM Cognos solution would cover all their requirements in a single product

■ **Solution**

The comprehensive IBM Cognos 8 BI system provides the Wyeth sales team with effortless access to intuitively designed dashboards with traffic-light functionality and drill-down multi-dimensional analysis options

■ **Key Benefits**

Overall administrative costs have been reduced by 10 percent; the cost of producing new models has decreased by 20 percent; new applications can be implemented quickly; users have a high rate of comfort and satisfaction with the system

Wyeth Pharma GmbH is the German subsidiary of Wyeth, one of the world's largest pharmaceutical companies that is based in the US. Wyeth focuses on researching and developing innovative prescription medicines. The company's German head office is in Münster/ Westphalia where Wyeth Pharma GmbH employs around 600 people.

In order to respond quickly to developments in the pharmaceutical market, sales employees need customer and market information that is updated on a daily basis. For the pharmaceutical research company Wyeth Pharma, analysing market data is therefore essential to their sales process. With the novem pharma navigator, Wyeth has introduced an industry-specific business intelligence (BI) solution for sales management that is based on IBM Cognos 8 BI. The solution processes large quantities of data from the most varied of sources, offers analytical CRM and transforms data into knowledge that is suitable for decision-making. The information logistics at Wyeth ensure that patients and doctors are addressed in a targeted manner and pharmaceuticals can be marketed in an intelligent way.

Challenges Faced

Current and valid information for over 300 sales employees and those in sales management is essential for a successful sales organisation and for efficiently marketing the substances that are developed at Wyeth. Sales data, order

quantities and product lines must be available quickly and reliably. With this background, a belief grew at Wyeth that a BI platform was necessary to supply information for decision-making to the sales team and sales management.

A project team, involving the IT Manager Udo Wehkamp, head of sales management, Jutta Bündler, and the head of business solutions, Michael Völkert, produced a concept for new information logistics that included the following important criteria:

- *Integration of various data sources in the sales analyses*
- *Integration of internal and external data*
- *Extension of the operational CRM system to include analytical components.*

"In order to assess the sales situation in all of its facets, we require software that goes beyond the operational CRM system and provides analytical functions for managing the sales team," explains Jutta Bündler. Related to the needs of each user, the BI platform should also provide all of the sales employees with analysis tools that can be used intuitively. From a technical perspective, the project team wanted to substantially reduce the administrative effort associated with maintenance and implementing new requirements. The team decided that standardisation to a single platform should replace the manual processes and substantially facilitate creating reports. The search then started for a suitable solution.

"It was possible to reduce administration costs by around 10 percent using IBM Cognos 8 BI. You are more versatile when connecting data sources and overall quicker in development."

*Michael Völkert,
head of business solutions,
Wyeth.*

Strategy Followed

Wyeth had already had good experiences in the past with IBM Cognos products. After market evaluation and comparing all the requirements from the specifications with the available solutions in mid-2007, the company chose IBM Cognos 8 BI. This single product covers all the requirements and also offers the option of integrating future requirements. There was also the advantage that the novem pharma navigator offered a pre-configured industry solution based on IBM Cognos 8 BI. The solution, which was developed by Hamburg consulting company novem business applications, includes pharmaceutical connections and thus enables short product introduction times due to pre-configured data models. The project team also decided to get the Hamburg-based team on board as an implementation and consulting partner, and to take advantage of their industry-specific expertise. "In order to be innovative, we need constant input from our partners. Excellent teamwork with novem and also within Wyeth between the sales management, IT and Marketing & Sales employees was an important success factor for developing real quality," explains Udo Wehkamp.

The project team was first faced with the task of integrating a range of market and customer data technically into the new solution. The novem pharma navigator delivers the data models required for

this: using standardised interfaces and loading processes, internal and external data can be loaded into a data warehouse that has been especially developed for the requirements of the pharmaceutical industry. So general market data can be connected with internal data – such as the frequency of visits to a doctor.

One thing stood out. External market data could be combined without a lot of effort, both with current actual data from the CRM and ERP systems and with target numbers from the sales plans. This created a closed loop that goes far beyond operational CRM, providing target-to-actual comparisons and exchanging information between the plans and the actual analysis.

Target values and current indicators are processed in the closed loop so that they can be used for sales analyses and strategic planning. Michael Völkert says, "We now have the opportunity to connect new external data sources very quickly. Users do not even notice the switch between operational and analytical CRM, but with the analysis options, they gain a substantial information advantage over the market as a whole."

Benefits Realised

As the project progressed, it was important to make this information advantage available to the users. The sales organisation can only benefit from the opportunities if the information

can be used with no effort. For this purpose, the project team set up an intuitively designed dashboard as the input portal. This dashboard provides superior views of national and regional sales developments and shows them clearly in diagram form. Traffic-light functions help to make anomalies visible at a glance: the indicators are visualised using red, yellow or green areas. By using models fed from the data warehouse in addition to the dashboards, detailed, multi-dimensional analyses can also be implemented. Drill-down functions facilitate the analyses: users can always drill down deeper into the data from the aggregated indicators at the topmost level. The option to display relational and multi-dimensional data in a single report is particularly practical.

In addition, the sales team receives standard reports that summarise the most important, current decision-making information on an easily operated interface: visit frequency, sales, potential, and so on. IBM Cognos 8 BI is also Web-based, so that the sales team can enter data at any time or use analyses for their sales efforts. As the platform is also used at a management level to manage sales, continuous information exchange between the sales team, sales management and higher-level management is guaranteed. "Everybody speaks the same language with IBM Cognos 8 BI," says Jutta Bündler, explaining the effect of networking the information.

The standardisation of information logistics has not only simplified the inclusion of new data sources, but also allowed new requirements to be implemented quickly – for example, by transferring one-off reports from one application to another. The cost of producing new models has decreased by about 20 percent. The BI solution is also associated with additional cost and time savings when it comes to processing information. “It was possible to reduce administration costs by about 10 percent using IBM Cognos 8 BI. We are more versatile when connecting data sources and overall quicker in development,” says Michael Völkert, head of business solutions at Wyeth. According to Völkert, the use of clusters guarantees high reliability and availability; system performance rose by about 20 percent.

The introduction of IBM Cognos 8 BI gives Wyeth a comprehensive basis for sales management decisions. Using the closed information loop from operational and analytical CRM, management can determine whether efficiency falls and whether actions are taking effect. “The fact that areas are networked with each other like this, even at an application level, is what makes this software application unique,” explains Völkert. Target-to-actual comparison checks

can be made quickly to see if defined sales objectives have been reached. So the solution goes beyond simply providing indicators.

“The novem pharma navigator, which is based on IBM Cognos 8 BI, offers the opportunity to address customers precisely, and at the same time to efficiently manage the sales team,” summarises Wehkamp. The project team is also satisfied with the users’ comfort because the sales team manage themselves. “This is the real benefit of this application. The traffic-light functions are particularly valuable as signals – the user can get the analysis quicker. With this high level of visualisation the product is in the premier league when it comes to user comfort,” explains Jutta Bündler.

The users are also satisfied. The novem pharma navigator is used at Wyeth by around 330 sales team members and 30 internal employees. The “IT Excellence Benchmark 2008,” a satisfaction study in CIO Magazine, is evidence of the high acceptance level. In this study, Wyeth came in first place in the category for the best company in the health sector. For his efforts to produce an innovative IT structure, CIO Wehkamp was given the grade 1.95 by the German Wyeth employees. The sales team members even gave the service the grade 1.76.

In the future, Wyeth is planning to extend user comfort and widen the use of the BI solution to other corporate departments. Other layers are to be integrated in the BI application – such as geographical depictions of the sales activities and revenue figures. The integration of structured and unstructured data should also be possible in the future. In this area, “medical dashboards” are planned to further improve the company’s analysis options.

About novem business applications

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