

CASE STUDY



Pharma Logistics, a reverse pharmaceutical distributor located just north of Chicago, processes expired pharmaceuticals for hospitals, wholesalers, and chain and independent pharmacies. The 36-employee company works with 1,200 customers across the United States and in Puerto Rico.

Business Needs

- Growing sales force using ACT! needed a larger solution
- Data Synchronization Issues
- Difficulty forecasting and reporting

Impact of SalesLogix

- Natural progression from ACT! provides a true CRM solution with scalability for growing sales team
- Improved forecasting and reporting with a centralized SQL database
- Elimination of duplicate data and double entry
- Direct Website connection with CRM
- Ability to project workflow

Impact of Partnership with Technology Advisors

- Pharma Industry Knowledge
- CRM Expertise
- Quickstart Implementation
- Impeccable Service in Addressing Customer Concerns

Reversing Pharmaceutical Distribution with Technology

Pharma Logistics Enlists Technology Advisors to Improve CRM Processes

Pharma Logistics had used ACT! contact management for basic customer information, but with a growing sales force, emerging synchronization issues, and difficulty accurately forecasting and reporting, they knew they needed to grow to something larger. Technology Advisors resolved these issues through a 30-day QuickStart implementation of SalesLogix, a leading CRM solution.

Reverse Pharmaceutical Distribution

Instead of agonizing over the varying policies of hundreds of different drug manufacturers, hospitals and pharmacies outsource the returns function to Pharma Logistics. "We represent the pharmacy in the transaction and do all the processing for them," said Michael Zaccaro, president of Pharma Logistics. "That includes inventorying product, determining what's returnable, and packing and shipping it back to the manufacturers."

Pharma Logistics goes beyond simply helping its customers rid themselves of outdated pharmaceuticals—the province of its more entrenched competitors. In addition to standard reverse distribution services, the company focuses on using technology to empower customers to make better purchasing decisions.

Growing Pains

For most of Pharma Logistics' 10 years of existence, the company used ACT! contact and customer management software as a customer relationship management tool to manage sales forecasting and customer contact information.

"ACT! worked really well when we were a smaller company," Zaccaro said. "But as we added to our outside sales force, it began to fail us in terms of performance degradation—specifically, inaccurate data synchronization."

With 40% growth in 2005 and projections to grow another 500% by 2010, the company needed a solid solution that could scale.

Pharma Logistics also wanted a solution that would enable it to standardize internally on one SQL-based database program. With each database running on a different application, searches for customer information had become much too complex.

Scalable Solution Meets Customer Focused Consultant

While other products offered the functionality Pharma Logistics needed, SalesLogix software proved a natural progression from ACT! The two products were owned by the same company, and their similar interfaces would ease user training. A leading CRM solution for small and medium-sized businesses, the customizable SalesLogix application could scale with Pharma Logistics' projected growth. Also, as a SQL-based program, SalesLogix could spark the company's migration to a single database system—and simplify access to customer information.

Once Pharma Logistics made the decision to migrate to SalesLogix, the company needed to choose an implementation partner. The consultant that handled the ACT! installation had SalesLogix expertise and the incumbent's edge. However, its complex pricing structure and rollout process sent Pharma Logistics looking for another option.

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— Michael Zaccaro,
President
Pharma Logistics



The search led the company to Technology Advisors, a Chicago-area consultancy that has provided CRM solutions since 1991. Technology Advisors, with proven CRM expertise, had demonstrated experience in the pharmaceutical industry, sharing some mutual customers with Pharma Logistics.

“Technology Advisors impressed us with both technological know-how and the simplicity of its approach,” Zaccaro said. “At our first meeting, the consultants provided a booklet that described their company’s Quickstart implementation methodology in detail. We knew what to expect and what was expected of us. No one tried to sell us something we didn’t need.”

From contract sign off until the system was up and running, the SalesLogix implementation took just under 30 days. Technology Advisors worked closely with Pharma Logistics’ IT department, overcoming firewall and other tricky issues.

“Sam Biardo, the president and CEO of Technology Advisors, personally sat in on most of our meetings and made himself accessible 24/7,” Zaccaro said. “If an issue came up, he saw that it got the attention it deserved right away.”

Synchronized Data and Streamlined Processes

Pharma Logistics’ SalesLogix implementation has delivered mightily on its promise to synchronize data correctly as the company grows. “Our Web site now ties directly back to fields in the database, something that would have been impossible with ACT!” said Zaccaro. “We no longer have to make double and triple entries to ensure the data is where it needs to be—we have one enterprise-level, SQL-based database system.”

The streamlining of processes saves Pharma Logistics time and money across the board. After a customer service representative enters an order, a remote salesperson can synchronize to and review it before calling the customer back. The accounting department can now customize searches, quickly looking up a customer’s record when they call with a billing question. As a SQL-based application, SalesLogix even allows Pharma Logistics to generate custom

management reports directly from the database.

The SalesLogix implementation also provided Pharma Logistics with one unplanned benefit: the ability to project workflow. “Our shipments don’t come in on a consistent basis,” said Zaccaro. “We could get 75 boxes one day, 300 the next. Now we know what will arrive at our distribution center at any given time, and we can call in extra resources as needed.”

Technology Gives the Edge

By the second quarter of 2006, Pharma Logistics plans to implement new SalesLogix features for better customer ticket management, contact process automation, and the creation and management of marketing campaigns. The company will continue to engage with Technology Advisors for SalesLogix upgrades and new license additions.

“With SalesLogix, Pharma Logistics can leverage technology to improve processes and better serve customers,” Zaccaro said. “It’s enabled us to change the conversation in the reverse pharmaceutical distribution industry. While the competition faxes customer information to a data entry clerk, our field sales representatives are entering inventory data and synchronizing it with the distribution center’s database on the same day.”

“This technology adds value for customers, tracking their inventory and identifying all interactions so that our field representatives, account managers, district managers and accounting staff have access to up-to-date records. As a result, we’ve already added some fairly large chain pharmacies to our customer rolls. We couldn’t be doing this without SalesLogix—and we couldn’t have done it without Technology Advisors’ straightforward, expert, customer-driven implementation service.”

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