

Unlocking True KAM Transformation: Are You Ready?

01. The strategic imperative for Key Account Management

The shift to specialty medicine is well underway: in 2023, 50% of European Medicines Agency (EMA) approvals were for specialty drugs.¹ As specialty medicine typically results in more complex patient journeys, life sciences organizations must engage differently with their most important customers when commercializing these high-value products.

To succeed, companies have to move beyond the single-prescriber relationship and account for other stakeholders that shape clinical practice, including payers and key

opinion leaders (KOLs). Treatment is usually initiated in a hospital setting, managed by specialty physicians, and can encompass multiple treatment options, including combination therapies. Adding to the complexity, national payers in most European markets are key during pricing and access negotiations while budget holders and decision-makers are found at the sub-national (regional, local, and hospital) levels.

Key account teams now navigate a complex landscape



Single prescription decision now multiple interdependent decisions



Stakeholder landscape expanding



Complex patient journeys with multiple treatment options



Growing demand for demonstrable value and outcomes



Stronger ties between medical, access, and commercial

¹ [Human medicines: highlights of 2023](#), EMA, January 2024

Navigating this environment requires greater coordination across cross-functional teams and a revamped value proposition centered on value creation with key customers. And with specialty drugs accounting for a growing share of expenditure — and expected to reach 65% of global pharmaceutical spending by 2025² — the health outcomes they deliver are also under greater scrutiny. True partnership calls for biopharma companies to elevate their role in improving patient access and outcomes during treatment journeys.

All of this makes it more critical than ever for life sciences organizations to attain key account management (KAM) excellence. In this white paper, we'll explain the similarities and differences between two principal customer engagement models related to KAM and the capabilities required for each. We'll also cover how leading companies are reassessing their approach so they can partner with key customer accounts to enable system change.



~50% of EMA drug approvals were in specialty medicine in 2023¹



Eight of the **top 10** drugs by revenue in specialty in 2021 (from zero in 2002)²



Annual patient costs can run up to **hundreds of thousands** of euros



Specialty expected to represent **65%** of global pharma spending by 2025³

Sources: ¹ EMA, *ibid*; ² Fierce Pharma. Excludes COVID-19 vaccines. Xarelto and Eliquis are counted as general medicine.; ³ PSG, *ibid*



The speed of change is a challenge. Achieving true cross-functional and integrated account planning remains difficult, particularly when different functions prioritize their own objectives over shared goals.”

Pieter van der Meulen,
Global Head of Field & Launch Excellence, Astellas Pharma

³[2022 State of Specialty Spend & Trend Report, PSG](#)

02. Clearer definitions needed

Despite the growing importance of KAM as a strategic capability, many biopharma companies do not generate sufficient value from their key accounts. This is because historically, customer-facing functions within biopharma organizations were set up to optimize their interactions at the healthcare professional (HCP) level, which resulted in HCP-centered insights.

Common indicators of this approach included:

- account plans focused on product promotion rather than partnership;
- a limited understanding of stakeholder influence or how decisions are made;
- measurement frameworks geared toward reach and frequency;
- a failure to capture account insights or patient pathways systematically across the enterprise;

- an approach to KAM dominated by sales instead of being truly cross-functional.

To assess whether your approach delivers sufficient business impact, we recommend asking yourself five questions:

1. Are we generating **disproportionate growth** from our top accounts?
2. How many of our key account relationships are **strategic rather than transactional**?
3. Does each function follow the **same account planning** process?
4. Do **field teams and headquarters** work together closely on planning and execution?
5. Is there a **consistent approach to executing** KAM within our organization?

Common responses to these questions



Limited account growth

“We are not achieving disproportionate growth in our top accounts”



Transactional relationships

“We only talk to our accounts about our products, not about wider shared value opportunities”



Siloed functional working

“Each function has its own separate account planning processes, from prioritization to measurement”



Disconnected HQ & field teams

“There is limited visibility and transparency between our teams on planning and execution”



Lack of operational visibility

“There is no consistent way of executing KAM. Each team and function does it their own way”

There are multiple drivers of inconsistency, but a common pitfall is that many companies lack a clear definition of KAM from the outset. This creates confusion over which customers to prioritize, leaving aside the specific capabilities required or how to build them within the organization. Once

changes are introduced, another misstep is not directing sufficient effort toward embedding new behaviors and skills. Without investment in capability building, tools, and processes, KAM becomes just another label and will fail to shift how teams work or lead to better customer outcomes.

Creating a virtuous circle

Complex, disconnected processes will impact your company and customers. Faced with too much to do, account teams might default to established ways of working, resulting in poor adoption of strategic tools. This perpetuates a vicious cycle. By overlooking the tools, they miss out on higher-quality insights that would improve their decision-making and achieve disproportionate growth from top accounts. Meanwhile, poor adoption rates will trigger frustration that business investment hasn't led to the hoped-for results. Your leadership won't have the evidence it needs to invest resources and achieve good outcomes.

There is a significant value creation opportunity for companies pursuing KAM excellence. Importantly, the benefits flow to all levels: patients, key accounts, and cross-functional teams. With improved support, key account teams will more easily navigate complex customer needs and deepen their understanding of the whole account, not just the stakeholders they usually work with. Once cross-functional teams work together in lockstep, they will deliver value greater than the sum of their parts, while companies that make KAM their differentiated capability will see the most significant payoff through key account growth and system-shaping impact. Collaborating in this way benefits clinical practice by improving patient access and outcomes.

It pays to strive for KAM excellence



Improved patient access and outcomes



Disproportionate growth from key accounts



Strategic (rather than transactional) relationships



Faster and better cross-functional decision-making



Seamless customer experience



The goal of establishing long-term partnerships with prioritized accounts is to deliver greater patient value by addressing specific account needs. This is critical in specialized and protocolized treatments, with multiple stakeholders, or in larger influencing networks or buying groups.”

Pieter van der Meulen,
Global Head of Field & Launch Excellence, Astellas Pharma

Veeva analysis highlights the opportunity, and potential impact, of getting this right [Figure 1]. Taking breast cancer in the U.K. as an example, we examined how well pharma companies focused on key accounts with the greatest potential. Although generally there is good alignment, we found that 17% of key accounts were under-called relative to their potential value.

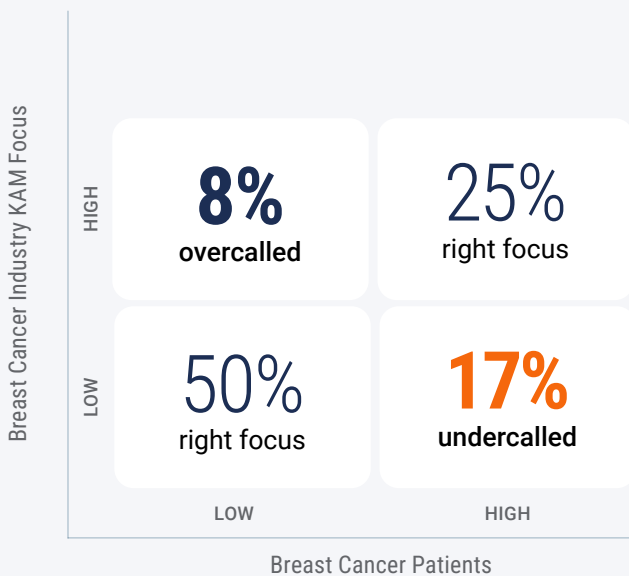
The right focus pays off. If a pharma company achieves an above-average share of voice (SOV), there is a 70% increase in likelihood that its brand will be included on the formulary within an account.

Naturally, it isn't all about volume. The quality of interaction, and how you partner, also matter. Still, the evidence suggests that the right focus and approach deliver results.

FIGURE 1:
One in five high-value accounts are underserved

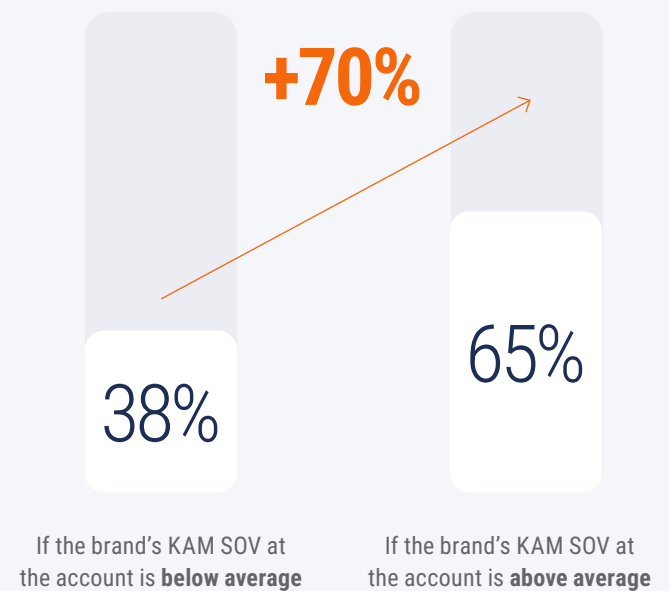
KAM focus is good, but there is room to go the extra mile in nearly 20% of accounts...

Share of U.K. accounts



...And going the extra mile pays off

Odds that a brand makes it on the account formulary



Source: Veeva Business Consulting. Analysis of KAM activity for breast cancer in the U.K., 2023 H2 - 2024 H1. Based on Veeva Pulse, public diagnoses, and public formulary data. High/low KAM focus and breast cancer patients refer to above- and below-average KAM activity and breast cancer diagnoses vs. national average, respectively.

KAM — How to choose the right approach

A tale of two models. Across life sciences, two related but distinct customer engagement models are sometimes conflated: account-based selling and strategic KAM.

Account-based selling is a foundation for effective account management for most accounts ('KAM for the masses'). It is designed to drive effective cross-functional collaboration, planning, and execution against account-level priorities. **Strategic account management (SAM)** is geared toward building long-term relationships with a few important accounts, resulting in partnerships that shape clinical practice.

Every company needs both, but it's critical to delineate between them to avoid diluting the impact of true SAM [Figure 2].

An urgent need for KAM. Companies already struggle with multiple handoffs. In fact, 87% of respondents agree that siloed expert engagement is a problem for their organization.³ The risk of uncoordinated outreach isn't limited to experts. Closer cross-functional account engagement mitigates some of these risks and adds more value than teams acting independently.

FIGURE 2:

What's the difference between account-based selling and true strategic account management?

Cross-functional teams aligned behind accounts (not individual HCPs)	
Common technology used organization-wide	
FOUNDATION Account-based selling	ADVANCED Strategic account management
Brand-level account segmentation	Organization-wide account segmentation
Segmentation based on revenue	Broader definition of value
Many accounts	Few accounts
Functionally-driven and aligned	Integrated cross-team collaboration
One-size-fits-all approach	Differentiated investment
Selling a product	Solving customer problems
Internal brand-level account plans	Joint organizational-level account plans
Measuring individual activities	Measuring shared outcomes

Source: Veeva Business Consulting

³Veeva poll of 101 pharma and medtech respondents conducted during MAPS webinar (October 2022).

Making the business case. Before taking action, it's important to understand which approach to apply to each account. Account prioritization will drive this decision, but you'll need to weigh up market complexity (encompassing competitors, payer affordability, decision-making complexity,

the ability to find patients, etc.) with potential value (such as the size of the patient population, degree of unmet need, and level of differentiation). This isn't a 'mutually exclusive, collectively exhaustive' decision. Your conclusion could be that more than one model might be appropriate **[Figure 3]**.

FIGURE 3:
Pinpointing the right engagement strategy



Source: Veeva Business Consulting

Other engagement strategies are also needed.

Looking at customer engagement more broadly than KAM, we see five key engagement strategies. There is no 'one-size-fits-all model'. Instead, your brand is likely to deploy a mix of two to three engagement strategies. Each is designed to complement and build incrementally as your company becomes more sophisticated and reaches the top right of the diagram (i.e., strategic account management).

Most companies will have a foundation of **marketing-centric** engagement focused on driving awareness and generating leads. Companies that generate the most value from this strategy will also use marketing automation effectively

and deliver personalized content and messaging across digital channels (web, social, mass email, etc.) A **service-oriented** strategy, while well established in other sectors, is still nascent in life sciences and centers on providing HCPs with on-demand, self-service with a human touch. **Field-orchestrated** engagement strategies precede account-based selling and usually elevate the relationship by empowering reps to partner closely with key customers.

[Learn more about the future engagement models in life sciences.](#)

03. Account-based selling: On the road to KAM

Account-based selling is foundational to KAM because it drives cross-functional collaboration around key customers — a prerequisite for delivering a great experience.

A strategic account team will need a simple yet effective blueprint to succeed [Figure 4]. Your teams will require tools that facilitate cross-functional collaboration to scale their account-based selling. Adoption, and more effective collaboration, are key goals: if they don't take up and use the tools provided to them, the whole organization will fly blind.

As complexity is often the biggest barrier to adoption, the focus should be on providing easy-to-consume account plans, call reports, and account insights that shine a light on all relevant activities. Providing a frictionless experience for end-users means choosing tools that are easy to maintain. This will help to simplify processes and ways of working later on.

With these tools in place, the aim during planning is to define a simple, focused account plan confirming what your organization needs to achieve and with whom. Once there is clarity on objectives and target stakeholders, confirm which actions relate to each account objective, and who is accountable (and by when).

While executing the plan, KAM teams will need execution insights to support their decision-making, such as engagement data or tracked executed activities. Straightforward account insights and reporting will require some upfront work, so field teams know to take the right action at the right time. It is also important for senior management to have easy access to a snapshot overview of account performance. While leadership won't require the same depth of detail as account teams, they will need the right KPIs to understand progress.

Some leading companies are going even further and bringing **deep data** into their account planning processes.

FIGURE 4:
Rethinking key account processes

Insights	Planning	Execution
Account insights	Objectives	Actions
Engagement insights	Target stakeholders	Owners
Execution tracking	Internal account team	Due dates
KAM teams aren't data analysts! Provide explanatory insight aligned to decision-making, not exploratory data	A simple plan executed well beats sophisticated executed poorly. Focus on what you need to achieve with whom	The most important part of the UX as it will be used most often. Define actions required to achieve the objective and who is accountable by when

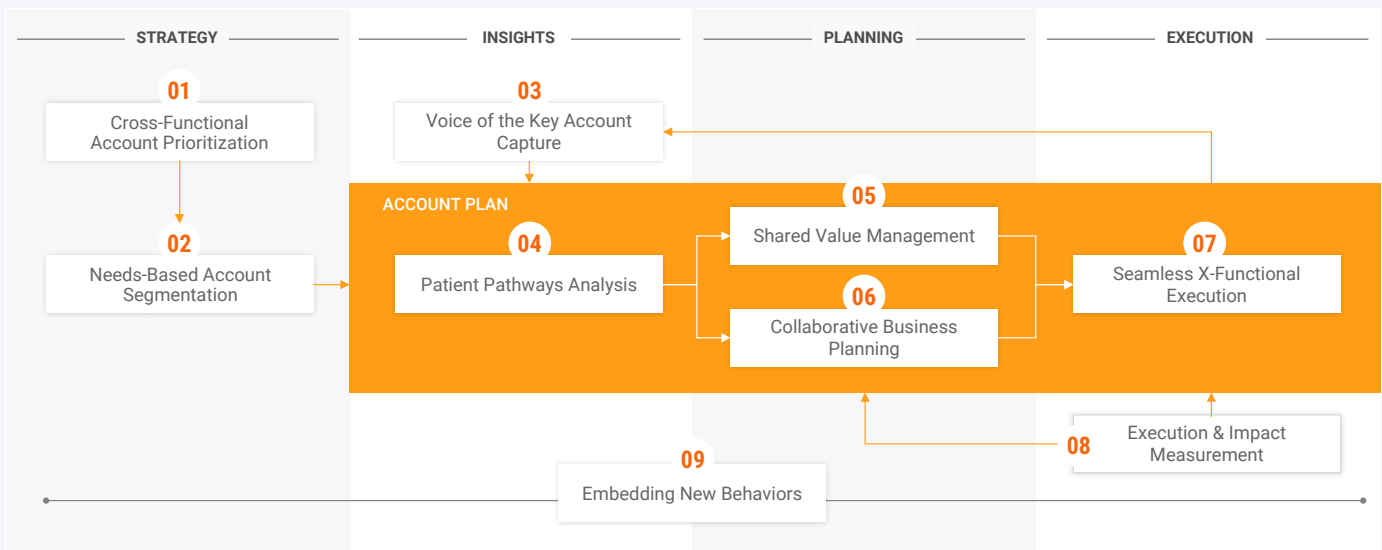
04. Advancing to strategic account management (SAM)

With a smaller number of accounts — each of strategic importance to your company — the approach for SAM must be different. Your teams will need support to build their capabilities and adapt their ways of working. A deeper understanding of the account demands more investment and senior management buy-in for joint initiatives, potentially spanning several functions that historically have not worked together.

There are nine focus areas to help cross-functional teams enhance their capabilities and move from account-based selling to true SAM [Figure 5].

Once the foundation of account-based selling is in place, executive teams typically consider implementing strategic account management.

FIGURE 5:
Changing how SAM is done



Source: Veeva Business Consulting

Strategy

1 – Broader alignment on priority accounts

Account-based selling is typically brand-driven, with commercial teams prioritizing accounts based on sales data. However, you'll need additional criteria beyond sales to reach an organization-wide decision on the most important accounts across brands.

Prioritization identifies which accounts to engage, segmentation informs how best to engage based on account needs. Start by determining which criteria are most important to your company, beyond sales potential. This may reveal unexpected considerations: as a result, perhaps you'll upweight collaboration opportunities with an account (e.g., on clinical trials or innovation), or their openness to partnering.

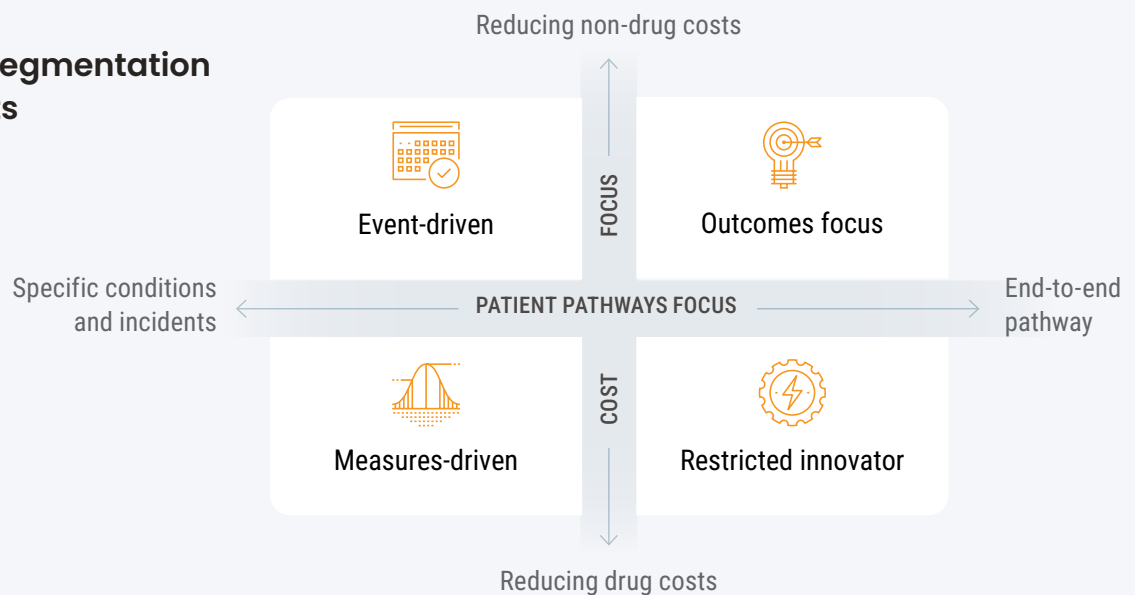
2 – Segment based on account needs

Once cross-functional teams have agreed on how to define value (and prioritized accounts accordingly), it is time to segment based on needs to identify the best value proposition for each one. For example, knowing that an account is in financial distress or under budget pressure will lead to a different engagement strategy than one intent on achieving specific clinical outcomes.

Many companies today will use a traditional value-based segmentation; or, worse, only segment at the HCP level. This may be sufficient for resource allocation. But without a true needs-based segmentation, you will likely overlook the right engagement strategy for the account. Overlaying a needs-based segmentation to value-based prioritization helps cross-functional teams understand how best to engage based on account needs and priorities [Figure 6].

FIGURE 6:

Needs-based segmentation for key accounts



Source: Veeva Business Consulting

Insights

3 – Inform plans with voice of the account

Field teams often know salient account information qualitatively, including recent developments and challenges, and details of their patient populations, priorities, or financial situation. However, they might not record these insights centrally so that the whole organization can learn from them.

When account insights are captured systematically and shared consistently, it's easier to learn which engagement activities are working (and which aren't) so you can quickly course correct. Similarly, measuring customer feedback systematically means relevant teams can access leading indicators on account experience and satisfaction, irrespective of whether the preferred approach is a survey, focus group, interview, informal conversation, or looking at engagement data in CRM.

It's important to measure the experience of people in the account while they do business with you. You can do this via a net promoter score (NPS), which asks whether they are satisfied and their likelihood to recommend to others; a customer effort score (CES), which measures how easy it is to do business; and a relationship score, which asks how much they value the relationship.

Instead of a document updated once a year (and rarely revisited), account plans drawing on customer insights and feedback will become agile and reflect the current context.

4 – Patient pathways as the beating heart of your account plans

Centralizing the voice of the account introduces strategic insights into account plans. However, to understand developments on the ground and decide on account priorities and tactics, teams also need a clear view of patient pathways.

Patient pathways help strengthen the partnership with key accounts. Given the customer's goal is often to improve patient centricity, the measure of success is whether accounts can pave the way to better patient access and outcomes.

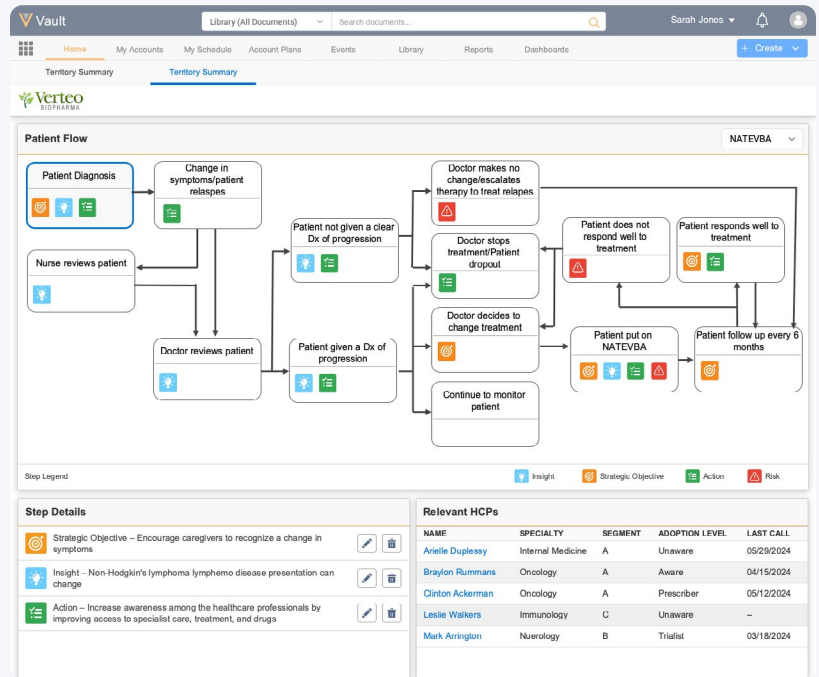
For this to happen, information relating to account teams needs to be structured and organized so it can easily be shared and acted upon. With visibility of patient pathways in their account plans, teams can deeply understand customer pain points, whether slow (or low) diagnosis, adherence, or follow-ups **[Figure 7]**.

Patient pathways also act as a catalyst for highlighting missing insights that the account team needs to capture, making the pathway a living and breathing thing that is continuously enriched. As they are equipped with information on key stakeholders and data points at each stage, teams are then better placed to approach key customers with the right propositions and tactics.

FIGURE 7:

Embedding a patient journey builder into account plans

- Flexible journey builder
- Structured insight capture
- Link key stakeholders
- Survey-driven
- Intuitive and easy
- Facilitate best practice sharing
- X-Pathway analysis
- Data-driven pathways



Planning

5 – Propose and manage shared value opportunities

Transactional conversations may dominate today. Evolving this dynamic could require a shift in ways of working, so field teams and account managers can go beyond purely focusing on sales.

Equipping account teams to identify, propose, and deliver on shared value initiatives is foundational to becoming a strategic partner. Your teams can deepen their understanding of key account needs by drawing on the needs-based segmentation and patient pathways. For instance, imagine your segmentation reveals a key account is focused on improving patient quality of life. If your patient pathway insights in CRM indicate that adherence is an obstacle, your account teams could use the analysis to lead a strategic discussion on ways to address this pain point.

Before they do that, they'll need a framework to help define, create, and manage shared value opportunities. Otherwise, each account team could try to go it alone. An uncoordinated approach will miss opportunities to enhance value for the whole organization: for example, by pooling resources and sharing best practices for different needs or markets.

Life sciences makes a significant contribution to the healthcare system but a fragmented or localized approach to shared value will be costly, and dilute the benefits and impact.

6 – Collaborate on business planning

Effective planning requires collaboration on two axes: cross-functionally within the organization, and between the account team and the customer. Internal planning should bring together all relevant teams to a customer account to ideate, interpret insights and performance, and identify opportunities and threats. This analysis can then inform account objectives, action plans, and potential shared value opportunities.

A critical second element is a joint business plan with customers. Without it, the partnership is not truly anchored in shared value creation. True partnership means agreeing on joint objectives and priorities, committing resources, aligning on measures, and being transparent on progress (much like consumer product companies and retailers do).

Execute

7 – Ensure seamless execution

Simple and adopted is more useful to your organization than complicated and ignored. The most effective account plans aim to deliver shared value, and cross-functional efforts should be directed toward this principle.

Today, commercial teams typically set account plans but the goal for their evolution is that they are simple and intuitive enough for other functions to review and execute. If

all stakeholders work from an integrated plan, they can avoid duplicating their planning efforts. Account teams will then find it easier and more efficient to collaborate, particularly if tools provide visibility for those outside of CRM, so their activities and updates aren't siloed and unseen.

The arrival of Generative AI introduces multiple new ways to support KAM, particularly during execution. There are 12 potential use cases of GenAI for KAM (see below).

12 GenAI use cases for supporting KAM

KAM assistant for call planning

In addition to next-best-action (NBA) engines which prompt action, enable account managers to query and ask questions about their accounts to save time and provide easy access to actionable insights

Content creation

Create personalized content for key accounts, such as tailored emails and presentations that align with the specific needs, preferences, and challenges of the account

Account engagement/sentiment scoring

Analyze communication patterns, emails, and meeting notes to generate insights into the sentiment and mood of key account stakeholders

Dynamic report generation

Automatically create detailed reports based on real-time data, including sales performance, market analysis, and account interactions

Real-time customer support

Virtual assistants can provide real-time support to key accounts, answering questions, resolving issues, and providing product information instantly

Automated meeting summaries

After customer meetings, automatically generate detailed summaries, including key discussion points, decisions made, and action items, to ensure all stakeholders are aligned and follow-up actions are tracked

Enhance knowledge sharing across accounts

Generate summaries of best practices and success stories from across the organization, facilitating knowledge sharing and continuous improvement

Enhanced competitive intelligence

Aggregate and synthesize information from various sources to better understand the competitive dynamics and positioning in an account

Shared value initiative recommender

In-built recommender tool that matches account needs and pain points with the appropriate shared value initiatives and tactics to address them

Regulatory compliance support

Generate and update documentation required for regulatory compliance such as publishing shared value agreements and transparency reporting on shared value initiatives

Patient pathways analytics

Analyze patient pathway maps across accounts, including any external data points to help understand patient flows and pain points in the pathway

Predictive sales analytics

Analyze historical sales and market share data at the account level, including market access dynamics to generate predictive insights that will shape account tactics

Organizational readiness*:

High

Medium

Low

*Five drivers of organizational readiness

1. Availability of data for input to AI models (especially 'outcome' data)
2. Ease of collecting data required to fuel the models
3. Data quality and completeness
4. How established the key user interfaces are / quality of the UX to enable action
5. Whether there have been early signs of success via pilots etc.

Source: Veeva Business Consulting

8 – Track metrics that matter

Without measurement data, progress is invisible. The default approach for many organizations is to track growth in sales as a proxy for improvements in the account relationship, but this approach is too simplistic. Sales data won't tell you the whole story of the relationship.

To track progress, introduce a more holistic set of metrics to incentivize the behaviors your organization needs. Set up a measurement framework that reflects cross-functional outcomes, including sales and market share for commercial, as well as success metrics for medical and market access. Determine which lagging and leading indicators to track, and then ensure that the account team has access to the latest data and reporting so they can understand their impact and make changes quickly. At-a-glance overviews are helpful for leadership to understand account performance and progress.

9 – Embed new ways of working

True KAM requires excellent cross-functional collaboration – and new skills and behaviors from account teams. Without effective change management to evolve ways of working and embed learning over time, all other initiatives are at risk.

Too often, in KAM transformation, the focus is on tools while the people side is left to chance. The goal is to help key account teams understand the shift in approach and how it relates to them. Once teams understand the 'why' driving the change program, help them see how they can apply new skills and use tools to achieve their goals.

This process may yield unexpected findings, and even lead to structural changes. Perhaps you'll decide to hire account leads for your top 10 accounts; or, to incentivize conversations beyond sales, realize that an account team reporting to sales needs a cross-functional leader.

05. Addressing the KAM challenge once and for all

The concept of KAM is not new, but its execution remains ad hoc at best, ineffective at worst. As the global drug pipeline continues to tilt toward specialty medicine, attaining KAM excellence across markets and brands will be a prerequisite for commercial success.

For many companies, KAM capabilities have evolved incrementally, and today lack a strategic, holistic approach. It's time to address these shortcomings. Transforming KAM means equipping account teams with the right insights and tools so they can add value to their most important customers. It also means acknowledging the concerted effort to win hearts and minds, change ways of

working, and embed new behaviors. This doesn't happen overnight.

Life sciences companies that successfully invest in strategic account management are best placed to become true partners to their most important customers by elevating their interactions with key stakeholders and decision-makers. Closer collaboration will be built on mutual value exchange, and supported by new ways of working, processes, and tools. Achieving KAM excellence will help reshape clinical practice for improved patient outcomes – and unlock disproportionate growth from top accounts in the process.

Key Account Management Health Check

How effective is your current approach?

STRATEGY

- How many key accounts do you currently have?
- Have you invested disproportionately in your top accounts?
- Does your organization differentiate between account-based selling and strategic account management?
- Are cross-functional teams aligned around priority accounts?

INSIGHTS

- How well do your account teams understand key account needs?
- Are you capturing patient insights systematically?
- Can account teams access the right insights to meet their objectives?
- Are insights served to account teams so they can easily interpret and act?

PLANNING

- Is planning a collaborative exercise between functions and with customers?
- Do teams use account insights to identify shared value opportunities?
- Do you have a common and up-to-date view of patient pathways and pain points across all your accounts so you can direct investment into solutions?
- Are account plans simple to follow and up to date?

EXECUTION

- Could cross-functional collaboration be improved?
- Do you have visibility of interactions between HQ/non-CRM users and accounts?
- Are shared value initiatives effectively tracked and managed?
- Do you have a structured process for continuously capturing the voice of the account?

Veeva Business Consulting has industry-leading expertise in enabling and driving KAM transformation in life sciences.

Get in touch with **Veeva Business Consulting** to better understand how we can help set your KAM vision and direction, assess your current capabilities, and quickly improve your KAM performance.



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