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Up Front

Let Me Tell You What Sucks

Does your marketing suck? According to Mark Stevens, author of the book *Your marketing sucks*, it does (see "Your Pharma Marketing Sucks" in this issue).

But let me tell you what *really* sucks.

"It's the economy, stupid!"

If this "economic recovery" didn't suck, we wouldn't be having this conversation about marketing and how much *it* sucked.

Whether or not pharma marketing sucks, it seems to be working—pharma companies are still making plenty of money and the economy doesn't seem to be having much of an impact on drug sales.

But what about the rest of us—the "little" guys that service the industry? I'm talking about the ad agencies, the communications companies, the marketing consultants, etc. that make up 45% of *Pharma Marketing News* subscribers. How are we doing?

I think it could be summed up nicely by "it sucks!" That is, we could be doing a lot better.

Of course, I don't have any numbers to back that up. It's just a gut feeling I get talking to and observing many people on this side of the pharma business. I wish I had forty or fifty bucks every time I heard a salesperson at an industry conference ask, "Where are the clients?" It's just a bunch of us vendors schmoozing around the *hors d'oeuvres* table. As Mark Stevens says in his book, schmoozers should be fired because the only thing that matters is closing. "Nothing happens until someone sells something," as he is fond of quoting (not sure whom).

So, where are the clients—the product managers and other purchasers with budgets?

They are in their offices busy at work—extremely busy and over-worked! They don't even have time for a free lunch! That's because one thing this recovery has going for it is increased productivity, which means more output from less workers (merger anyone?). And less use of outside agencies and consultants to perform tasks that are now done in house or perhaps outsourced overseas.

I don't wish the pharma industry ill and I hope it continues to do extremely well. Lately, however, not much of its high profit margin income has trickled down to the pharma service industry, in my opinion. I think it's the same with other industries—they are not hiring staff or outside help as they once did during better economic times.

I've seen heady growth *predictions* for some pharma marketing sectors such as DTC ad spending for 2004 (see "Key Issues Facing DTC Marketers in 2004" PMN32-01; February, 2004). Even if true, that's just one segment. We all can't get on the TV DTC gravy wagon!

So, the economy sucks and there's less low hanging fruit to go after. That's life. In order to deal with the hand we've been dealt and get our share of the available crumbs out there, we really can't afford to have marketing that sucks. We have to engage in some "extreme marketing" as Mark suggests in his book.

How do we do this? One way is to use the power of our **Network** to improve our closing rate.

I have some ideas how to do this and I intend to speak with Pharma Marketing Network members at venues like the Networking Cocktail Reception (April 7, 2004 in Princeton, NJ) to test my ideas and refine them.

If I help you succeed, then I succeed as well. That's what Pharma Marketing Network is all about. See you in Princeton!

John Mack, Publisher & Editor
Pharma Marketing News

Feature Article

Scenarios on the Future of Pharma Marketing: No Time like the Present to Think the Unthinkable

By **John Mack**

A recessionary economy, a deficient pharmaceutical pipeline, double-digit health premium inflation, the future of the Medicare Trust Fund, a volatile Wall Street, the promise of genomics and a shy venture capital community, a risk-averse FDA, the threat of smallpox....there's a lot that's uncertain and/or uncomfortable about the future of health and health care in the U.S.

There's no better time than the present to apply scenario planning principles to your business in the health marketspace, according to Jane Sarasohn-Kahn, MA, MHSA, Management Consultant and Health Economist. She was speaking at the Strategic Research Institute's 2nd Pharmaceutical Marketing Global Summit held in Philadelphia, PA, February 24 through 26, 2004.

"Straight-line forecasts and baseline strategic plans won't help you navigate through rocky terrain and blurry vision," says Sarasohn-Kahn. Traditional forecasts assume away uncertainty, whereas scenarios *start* with uncertainty.

Scenario planning involves making tough choices regarding:

- The problem and the timeframe,
- The forces that are driving the market, and,
- Certainties and uncertainties.

The nature of the "problem" to be considered is unlimited. It can be a market segment, a technology, a public policy—whatever challenge is at hand and is dependent on future forces that are uncertain and critical. The timeframe for the problem is important to clarify: an appropriate timeframe for scenarios regarding a pharmaceutical product requiring FDA approval, for example, could 5 to 10 years.

Scenario Planning Methodology

Sarasohn-Kahn outlined the scenario planning methodology, which is an iterative process that begins with identifying key driving forces (see FIGURE). Driving forces are the factors that determine and shape the problem. They are "tectonic forces" that steer, energize, destabilize, and constrain the future.

Drivers of pharmaceutical marketing, according to Sarasohn-Kahn, are numerous and include cultural, demographic, technology, economic, health system, and political issues (see TABLE).

The next step in the methodology is to identify uncertainties. Once the major drivers are identified, then they are categorized by which are certain (e.g., demographic trends) vs. which are uncertain (e.g., politics). For pharmaceutical marketing, Sarasohn-Kahn identified a few likely suspects, including:

- Regulation of DTC
- Regulation of marketing to physicians
- Benefits/pace of adoption of consumer-directed health plans
- Physician access
- New prescribers

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Driver	Examples for Pharma Marketing
Technology	Genomics, Personalized Medicine, IT
Demographics	Aging boomers, Growing frail elderly
Economics	Wall Street, Labor markets
Health system	Physicians, New prescribers, Payment
Politics	Elections 2004-08, Advocacy
Regulation	FDA, FTC, DHHS, OIG, State regulations
Social/Cultural	Self-care, Social networks, CAM, Media
Environment	Smoking, Chemical exposures
Globalization	India, China, Mergers, Markets

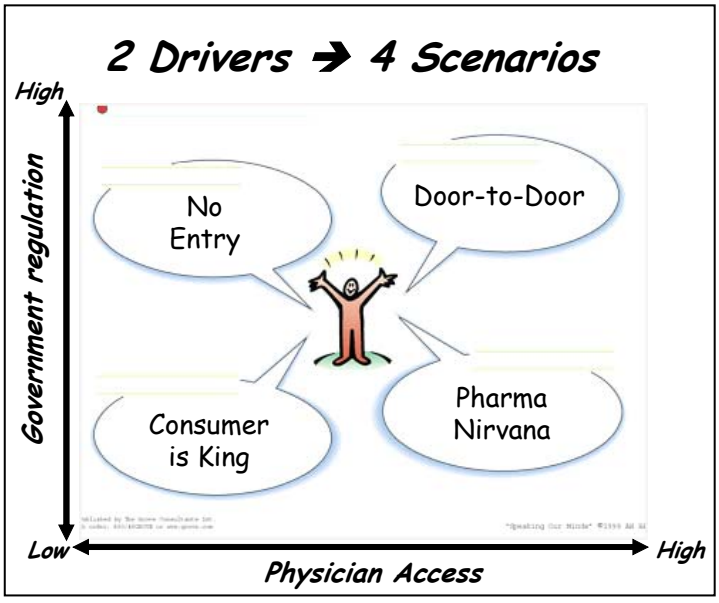
Selecting the primary driving forces is the most important aspect of scenario planning, for it is the most critical and most uncertain forces that create and constrain the scenarios. In identify the driving forces, it is useful to populate them with data for the scenario planning team to analyze. This database will be useful for the overall strategic planning effort.

By collecting information on driving forces, it will become clearer which ones are most uncertain. Many will be unquantifiable: for example, politics. In health and health care, politics can be among the most crucial drivers, because politics can determine whether a new technology receives reimbursement or FDA approval, whether prescription drugs will be covered by Medicare, and if consumers' health information will be private under Federal or State law.

Once the primary driving forces are identified, scenarios can be created based on which small set of drivers are most important and most uncertain to the problem at hand. The scenarios are stories about the future. They should be mutually exclusive, internally consistent, plausible, and together comprise a broad constellation of possible futures.

An Exercise in Pharma Scenario Planning

The most uncertain driving forces of pharmaceutical marketing for purposes of planning out to 2008 are government regulation—will it be looser or more restrictive?—and physician access—will doors be open or closed? Using these two drivers as examples, Sarasohn-Kahn created 4 scenarios to examine as examples of how scenario planning works (see FIGURE).



To illustrate how scenarios can help you envision a strategy, we'll look at two scenarios: "The Consumer is King" and "No Entry."

SCENARIO: The Consumer is King. In this scenario, government regulation and physician access are low. That is, while it is difficult to gain access to physicians, there are relatively few government regulations in place regarding consumer marketing.

To plan for this scenario, Sarasohn-Kahn envisioned a strategy: "become the P&G of pharma marketing" by gaining deep consumer insights, catering to consumer needs for lower prices (e.g., sponsor re-importation storefronts at Kinko's and UPS stores), and reaching out to consumers through consumer-driven channels such as viral marketing and blogging on the Internet.

SCENARIO: No Entry. In this scenario, physician access is low and government regulation is high. Sarasohn-Kahn suggested a strategy for this scenario that involves a more rational use of the sales force rather than bringing on more salespeople. Salespeople should focus on demonstrating value and there should be less emphasis on advertising and more on PR, suggests Sarasohn-Kahn.

Wild Cards

Wild cards are driving forces that have a low probability of occurrence—e.g., less than 10%—but which have a high impact. A wild card is "the thing you don't know you don't know," says Sarasohn-Kahn. Examples include 9/11, the anthrax letters, the SARS outbreak, a Larry King interview, etc. Wild cards "can blow your scenarios apart," cautions Sarasohn-Kahn. Your strategy should be your umbrella and protect you against wild card events.

This is Not Your Father's Forecasting

Straight-line forecasts and single-point market sizing aren't as useful as they were

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before Enron, 9/11, and the threat of bioterrorism in the U.S. Scenario planning helps organization leaders contemplate futures and anticipate the change that is inevitable in health and the larger global community.

The best scenario planning exercises are those that stretch the corporate imagination to think the unthinkable.

A caveat: scenario planning is no panacea and won't create a strategy as a byproduct. Instead, scenarios help you test whether your strategy is robust across different futures. Scenario planning fails when it does not get embedded into a larger context: whether in the broad strategic planning effort, in corporate communications, and into the larger corporate strategy. When used in this way, scenario planning helps us live and work with uncertainty a little easier.

To close her presentation, Sarasohn-Kahn offered the pharma industry several broad suggestions vis-à-vis marketing in the year 2008. Pharma needs to think the unthinkable, improve its image ("Big Pharma's image lies somewhere between that of Big Oil and Big Tobacco," quipped Sarasohn-Kahn), devote more resources to PR ("the world doesn't realize the value of your products yet," says Sarasohn-Kahn), and get deep consumer insights into disease states. (See CHART).

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From "Dr. Strangelove" to Shell Oil—the Origins of Scenario Planning

Herman Kahn was the godfather of scenario planning. Stanley Kubrick's role model for "Dr. Strangelove," Kahn worked out various scenarios on military strategy and nuclear conflict during the Cold War. The objective of these exercises was to "think the unthinkable." By doing so, Kahn and his colleagues created knowledge about various futures. Some futures were desirable, some were not. By understanding the factors that drove toward an undesirable future, planners could identify the factors that led to that endgame and could avoid it or, at least, ameliorate some of the most negative impacts.

The Royal Dutch/Shell Group was among the first to adopt scenario planning as a corporate strategy tool. By integrating scenario planning into its larger planning process, Shell was able to generate scenarios about the unthinkable—such as an Arab oil embargo—and prepare for that exogenous shock to the oil market. Practically speaking, integrating scenarios into planning led Shell to lock into long-term contracts for oil. By so doing, Shell locked in prices and sheltered itself from the oil shock era of 1973 through 1979.

Seminar Highlight

Medical Science Liaisons: Working between Two Worlds

By **Mark Schmukler**

Since their inception in 1967, Medical Science Liaisons (MSLs) have assumed a pivotal role interfacing between pharmaceutical and biotechnology companies and the opinion and thought leaders (OTLs) who influence how medicine is routinely practiced. Today's MSL navigates between the unbiased, evidence-driven world of hands-on patient care and the business imperatives of pharmaceutical and biotechnology companies.

These professionals—most with advanced medical, pharmacy or science degrees—offer the OTL the credibility and objectivity of a peer, but also provide an insider's knowledge of their companies and products. Their ability to coordinate the flow of clinical information and manage important relationships can be critical to a product's success at any stage of its life cycle. At the same time, the current regulatory climate puts MSL's and their activities under greater scrutiny than ever before.

A recent Pharmaceutical Education Associates' seminar, *Best Practices for Medical Science Liaisons* (Princeton, New Jersey, January 2004), highlighted how MSLs can maximize their unique position to help improve medical care while they enhance their companies' bottom lines.

Diverse Responsibilities

According to Kyle Kennedy, Senior Vice President of MSL Programs at SOS, many companies give MSLs titles that emphasize their research and educational function, such as AstraZeneca's "Medical Information Scientist" and Aventis' "Professional Education Specialist". Traditional MSL responsibilities span field-based research- and educational activities, but their emphasis is fluid, generally shifting from research to education along a product's life cycle's time line. Prior to product launch, MSLs increase awareness and expand use through clinical research activities. Post-launch, MSLs help drive approved label use through education. Kennedy notes that while there is no "typical" MSL, the "true" MSL is likely to be an outstanding multitasker.

That multitasking requires a broad set of skills. Walter Tatarowicz, Ph.D., of EMD Pharmaceuticals, describes the "ultimate new-hire MSL" as someone who:

- Has previous MSL experience.
- Is well-published and well-respected in their field.
- Is able to handle 75% overnight travel.
- Has excellent communications and interpersonal skills.
- Is a really nice person.

He also points out that a hire's skills alone are not enough. The company should provide a structured training and mentoring program and continuing education, and management should add reasonable expectations and timely feedback.

EMD's Mary Ann Watson, Pharm. D. goes on to explain that the MSL's role is not easily defined. Depending on the company, the MSL may report to Sales or Medical Affairs and perform a function that is primarily educational, clinical/research-

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It's All about Perception and Intent

A post to the *Medical Science Liaison Quarterly* newsletter (www.mslquarterly.com) online forum spoke about the FDA's opinion of MSL "call quotas."

"During an audit of some of my company's sales and marketing materials, the FDA inspector reamed the group director and the marketing/sales people up one side and down the other," said the poster, "and told them in no uncertain terms that call quotas or anything of the kind were not only seen as sales-type activities, but were also worthy of a cease and desist letter."

"The FDA said that all MSL activity was to be unsolicited, spontaneous and in valid response to a clinically relevant scientific, medical or clinical question and therefore imposing call quotas were a violation because they looked like the company was soliciting off-label questions that by definition were to be unsolicited and therefore unanticipated and could not be reliably predicted or acted upon otherwise. That is the language from their report to management, and they dropped the call quota for fear the FDA would put them under a consent decree."

"It's all about perception and intent," said another poster. "If the MSL program is but one facet of a concerted off-label selling effort, then no matter how you separate it—even if you take the MSL program and put it under R&D—it is still illegal.

oriented, or a hybrid of the two. Corporate expectations of the MSL differ with respect to working with sales representatives, with the most effective relationships benefiting both the rep and the MSL (however, see "It's All about Perception and Intent", box on Pg. 6).

Lessons Learned

Navigating corporate culture can be a major challenge for MSLs says Jane Chin, Ph.D., former senior MSL at Aventis and now publisher of a forthcoming MSL newsletter and field guide. Cultivating strong relationships on the inside can be just as important as developing them in the field. Chin applies marketing wisdom, encouraging MSLs to create and manage their own "brand"—the image their colleagues have of them—and to speak the company's language or business jargon. At the same time, she warns against losing sight of the need to maintain a fair balance. "Your responsibility as a scientific professional," says Chin, "is critical discernment of scientific information and accurate presentation of information to clients."

When that balance is lost, the results can be devastating. Chin cites the case of one company where a whistleblower exposed a pattern of misrepresentation among MSLs: of data, of their credentials, and of their roles. She counters that sad tale with simple, practical advice:

- Know the regulatory rules and don't break them.
- Don't promise what you can't deliver.
- Exercise integrity.
- Communicate with internal customers, too.
- Keep all customers informed.
- Handle change in personal and professional life.
- Focus on science AND business.

Field Trials

One key activity of MSLs is coordinating investigator-initiated trials (IITs). EMD's Director of Medical Information and Science Liaisons and Global Head of Field Medical Affairs, W. David Dawson, sees the uniform goals of any IIT program as:

- Adding to the base of knowledge for a product.
- Generating abstracts and publications to be shared with the medical community at congresses or meetings.
- Increasing familiarity of key physicians with the use of a product in specific disease states.
- Producing advocates for the use of a product in specific disease states.

Beyond those goals there are important differences. For example, before product registration, the reporting of adverse events must go into the integrated safety report. This might raise questions from the FDA or jeopardize time lines. Post-launch, additional goals are to expand the potential patient population and possibly explore higher-risk patient populations.

The ITT process itself, which derives from the Clinical Development Plan, should be timed carefully. For pre-launch trials results and publications should come forward within 6 months of the anticipated launch. Dawson breaks the process into specific stages with clearly defined flows and projects a timeline of 12 to 16 weeks from the time an investigator indicates interest in an ITT to the beginning of patient enrollment.

The Key to Opinion Leaders

To Kennedy, a key opinion leader (KOL) is one who drives a therapeutic area, has conducted significant research, is regarded by peers as an expert and is actively treating or advising on the treatment of patients. KOLs can be identified through a wide variety of sources from within the company and in the healthcare community as a whole. Once KOLs are identified, the MSL must build relationships to develop advocacy. Kennedy recommends:

- Building relationships with top-tier national KOLs, regional KOLs and local high-volume prescriber KOLs
- Engaging in scientific dialogue with KOLs influential to the business and lacking in awareness of key scientific data
- Conveying complete medical/scientific knowledge to KOLs
- Identifying KOLs' unmet needs that can be fulfilled by the MSL.

Kennedy emphasizes that relationships are at the heart of any KOL advocacy initiative. The "successful MSL pyramid" is built on a base of technical expertise, KOL relationships, field-based relationships and internal corporate relationships. From these, influential activities flow, such as managed markets support, scientific convention support, training and research facilitation.

Day-to-day Matters

MSLs have no "set" weekly schedule, points out Tatarowicz. The nature of the job and the life cycle stage of the product vary, and MSLs should be realistic about what they can accomplish in a week.

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He underscores the need to be realistic about how long travel takes, which is often longer than we think, and plan accordingly.

In any given week a wide range of activities may occur, including appointments with KOLs, presentations, sales meetings, Medical Affairs meetings, conventions, symposia and training meetings. In addition, MSLs need office time to prepare for meetings and presentations, respond to email, fill out expense reports, pay bills and file. Tatarowicz calls office days "your good friend" and prescribes them for those tasks, plus catching up on reading, returning phone calls and conferencing with management.

Mary Ann Watson, Pharm. D., an EMD MSL, advises care in maintaining a balance between work and family. The MSL's family has to understand how much travel is involved. She recommends keeping an up-to-date calendar available with all travel plans. Including the family in travel whenever possible can also help. Those important "office days" should be spent in a dedicated area complete with basic equipment. She notes that breaks are important, too.

New directions

Today's successful MSL has developed a rich network of deep internal and external relationships. Now is the time for companies to leverage those relationships to maximize their return on investment. Dawson points out that the scope of MSL activities touches on virtually every aspect of the healthcare system.

Clinician advisories impact healthcare organizations through advisory boards, investigator meetings and consumer advocacy groups. IITs yield abstracts and publications, resulting in increased physician awareness. Clinician sciences lead to new product search and discovery and business development. Clinical operations such as site selection for studies lead to more efficient use of company resources. MSL activities provide resources for medical information, writing and publications planning.

All this leads to better health—for the pharmaceutical and biotech companies, and for the patients they serve.

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Conference Highlight

Effective Pharma Adherence Programs Start With the Patient

By **Jack Barrette**

Patient compliance may be a core objective for pharma marketers, but an international quorum of compliance experts at the recent eyeforpharma Patient Compliance 2004 conference in London agreed that the very term "compliance" is incorrect. In 22 in-depth presentations over 2 days, 30 speakers and panelists agreed that marketers need to stop analyzing compliance, and start understanding patients.

Compliance – The "C Word"

The basic tenet of compliance is outdated, implying that physicians should dictate treatments to patients, who will either do as they are told (comply) or do wrong. Leaders in the pharmaceutical consumer relationship field reject compliance as an unworkable concept which fails to recognize not only changes in how we all consume health care, but also the vast differences in how individuals relate to their condition and their medications.

New terms—adherence, to combine the proper self-administration of treatment with a patient's sticking with it; and concordance, which describes an agreement between a physician and a patient on how to manage their condition—all point to the need for true consumer relationship marketing to drive pharma's TRx programs.

Definitions:

- **Compliance:** % of doses taken as prescribed while patient is actively taking drug
- **Persistence:** number of days from first dose until patient stops taking drug
- **Adherence:** % of doses taken as prescribed for entire period of study (compliance + persistence)
- **Concordance:** physician-patient plan for medications

The Psychology of Compliance

The recent World Health Organization (WHO) report "Adherence to Long-Term Therapies" estimates that between 30 and 50% of medicines prescribed for long-term illness are not taken as directed.

Speaker John Weinman of the Psychology Department (at Guy's) IOP, Kings College, London, explored the issue of non-adherence, largely misunderstood by pharma marketers. Weinman cited numerous studies indicating that "the non-adherent patient" is largely a myth, as there are no consistent relationships between non-adherence and:

- Gender
- Education
- Intelligence
- Marital status
- Occupation / income
- Ethnic background
- Personality type
- Type of disease
- Type of treatment

Patient beliefs—about both their illness and their treatment—hold the key to understanding patient adherence behaviors. Illness perceptions seem to show consistent relationships to coping and outcomes; a study of Myocardial Infraction (MI) patients, for example, showed their beliefs about MI were strong predictors of their attendance at rehab, return to work, behavioral outcomes, and recovery of physical and psychological function.

But general patient views about medications, as well as specific patient views about prescribed medication, are distinct from their views of their illness.

Specific beliefs about medicines prescribed for a particular illness can be strong predictors of a patient's adherence. These attitudes include:

- **Necessity**: Patient beliefs about the necessity of a prescribed medication for maintaining health
- **Concerns**: Patient fears about potential negative effects of the medication

A patient's understanding of the necessity for their medication has been shown to be among the strongest predictor of future adherence. Driven in part by their understanding of their illness ("asthma is a long-term problem I must manage"), necessity can overcome some levels

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of concern to drive adherence ("because asthma is dangerous, I need my medications and the side effects are worth it").

General concerns about medicines as a whole also break down into two primary areas:

- **Overuse**: patient perception that medicines are over-prescribed by physicians
- **Harm**: patient fears that medicines are essentially harmful, addictive poisons

Weiman and colleague Rob Horne (Centre for Healthcare Research, University of Brighton) have developed an extended adherence model which maps patients' common sense ideas about their illness and treatment (see Figure below). They believe these ideas:

- Influence adherence
- Have an internal logic
- Are influenced by symptoms
- May differ from the "medical view"
- May be based on mistaken beliefs/premises
- May not be disclosed in a physician consultation
- Are not set in stone and may be changed

Understanding Patients Leads to Informed Adherence

To facilitate informed adherence, marketers must start with a better understanding of patients' perspectives on illness and treatment. Then, the same "Perceptions and Practicalities" approach which Weinman and Horne espouse for physicians seeking adherence should translate to more effective programs for pharma marketers:

- Demonstrate a clear common sense rationale for the NECESSITY of your product
- Elicit and proactively address concerns
- Continually work toward more convenient and clear regimens

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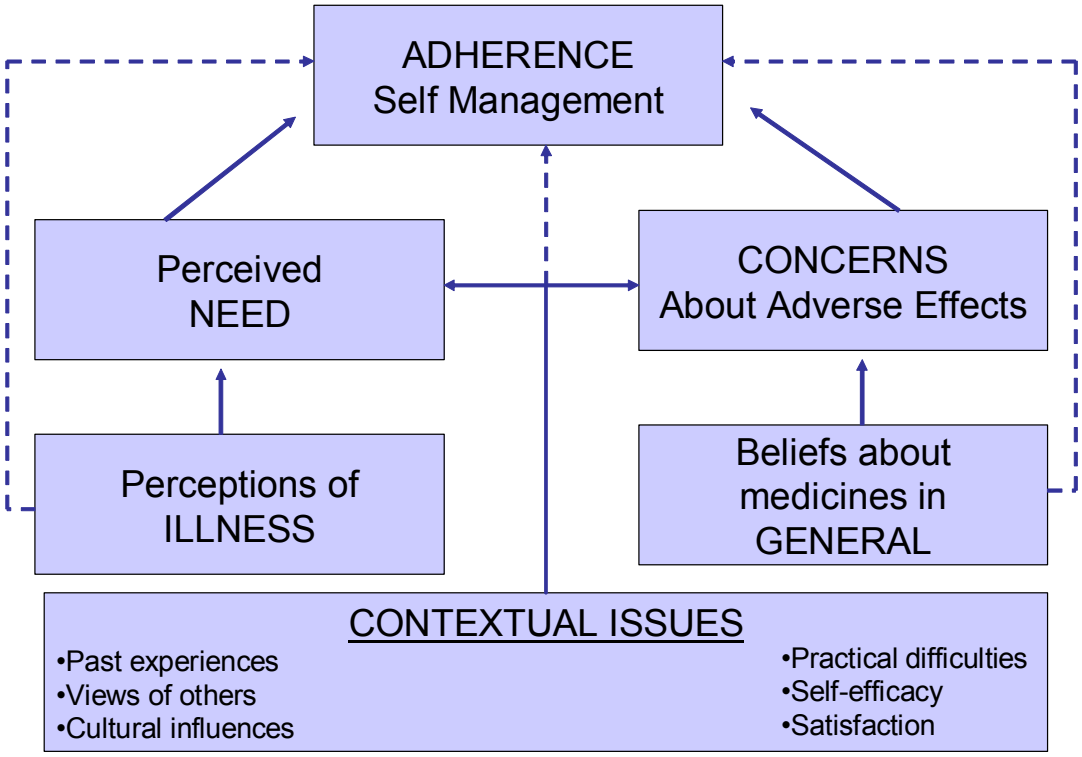

An extended adherence model Horne 2002

Conference Highlight

To Build Patient Adherence, Pfizer Puts Technology behind the Curtain

By **Jack Barrette**

Diane Stafford

While technology will enable pharma to execute complex consumer relationships, effective patient adherence programs will put tech to work as infrastructure—not as a primary communications medium.

At the recent eyeforpharma Patient Compliance 2004 conference in London, Diane Stafford, Head of Patient Relationship Marketing for Pfizer UK, asserted that she is approached about twice a week by vendors "selling SMS (Short Message Service), text messaging, or web sites as the answers to all my compliance problems. But we can't use technology as the delivery mechanism if it's not right."

Usage, Not Penetration

Stafford is supportive of online and mo-bile programs, but she cautions marketers to understand their market before determining their communications channels. Pfizer UK's portfolio, for example, tracks over 60% of its newly diagnosed patients into the 45+ age group. Internet penetration of that group is high, but usage is actually quite low, with about 50% using the Internet less than one hour per week (Figure 1, this page). Mobile phones show the same high penetration among 45-65-year-olds, but even more sporadic usage.

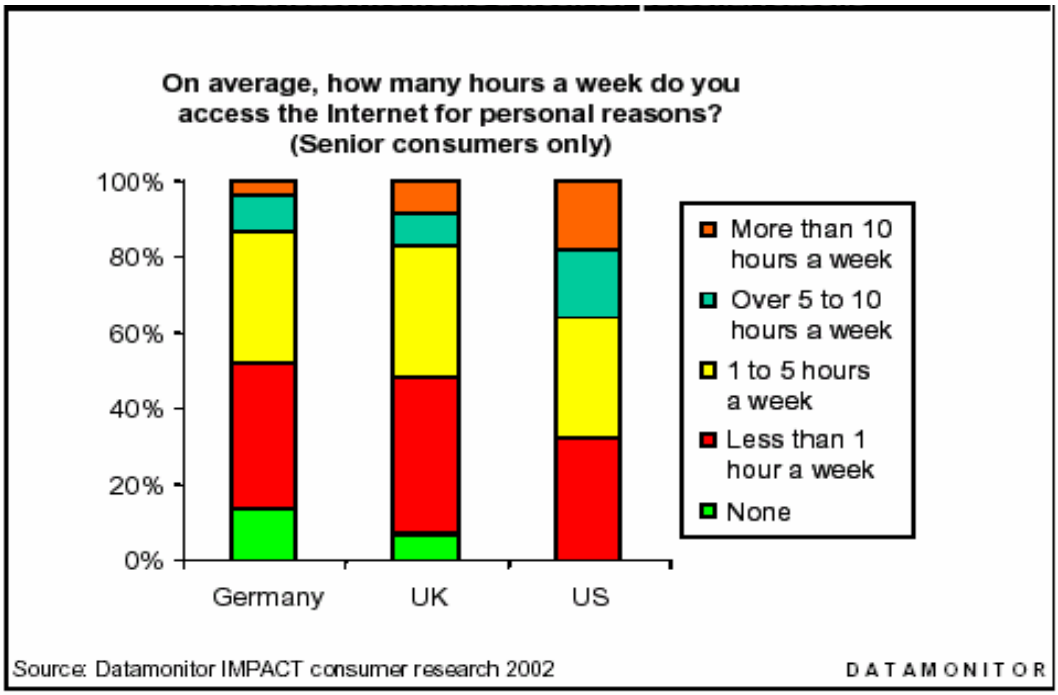

FIGURE 1: Over a quarter of online seniors in the US access the Internet at least five hours a week for personal reasons.

To properly determine communication channels, Stafford urges pharma marketers to "find new ways to get into the shoes of our patients." Adherence program design should begin with study of each drug's consumers; marketers must go beyond demographics and segmentations that may have successfully generated the first Rx to find out how patients communicate naturally about their condition. From this work, some overall trends are emerging; Datamonitor has studied channels of patient compliance communication, and created a scorecard of compatibility (Figure 2, next page).

InformED Compliance Program Case Study

Natural communication is no small challenge in the Erectile Dysfunction category, where Pfizer's Viagra is under heavy competitive pressure from GSK's Levitra and Lilly's Cialis. In fact, Pfizer UK has found that 55% of men stop treatment within 12 months, and many of these within the first six months. With each company waging extensive

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campaigns to switch consumers, Pfizer has found success in extending length of therapy by working directly with the patients already on their product.

InformED is Pfizer's multi-channel consumer outreach program, which communicates with patients through:

- call centers;
- direct mail;
- web programs (including web site www.informED.org.uk)

The program (simplified here to protect Pfizer's proprietary strategies) kicks off by asking enrollees to complete a questionnaire, designed to begin their profile by segmenting them into one of 5 stages along the patient pathway (see figure 3). But the key, notes Stafford, "is uncovering why the patient came to the treatment in the first place, and then building our communications from that platform."

Technology, in the form of customer relationship software, drives the campaigns that make up the complex InformED program. Dozens of messages, in many potential combinations, are constantly tuned to:

- Patients' reasons for beginning treatment
- Patients' views and beliefs about erectile dysfunction
- Patients' views and beliefs about their medications
- Patients' stage in treatment
- Patients' ongoing responses to information and program questionnaires

Still a relatively new effort, InformED has shown strong – albeit proprietary – results for Pfizer. By supporting patient audiences with the media channels they use daily and comfortably, patients have stuck with the program in good numbers. And by putting technology to work to constantly refine each consumer's communication, Pfizer UK has changed behavior: as compared to its overall drop out rate of 55% by 12 months after first prescription, "early compliance results indicate that over 70% patients are still on treatment up to 7 months later."

"This is not a simple program, and it's not a single-channel program," notes Stafford, "but technology makes it possible, even if patients never see it."

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FIGURE 2: Different channels are suited to sending different compliance messages to patients.

Source: Datamonitor

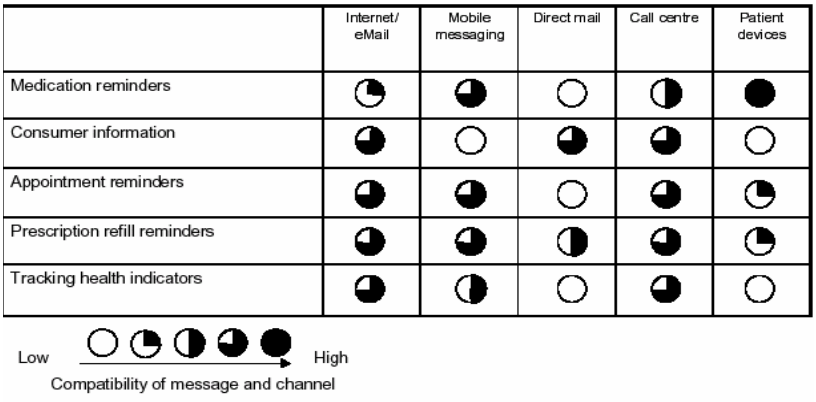
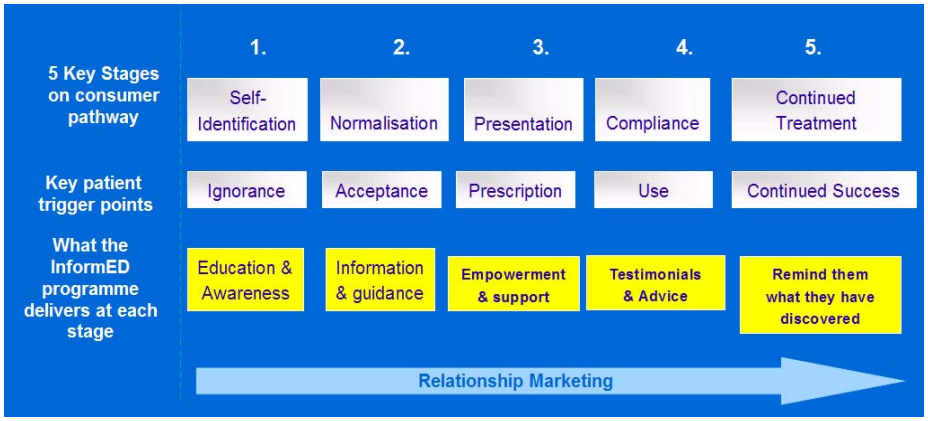


FIGURE 3: Typical ED Patient Pathway



Conference Highlight

Your Pharma Marketing Sucks

By **John Mack**

Mark Stevens

According to Mark Stevens, author of the current Business Week Best Seller "Your Marketing Sucks," in the world of marketing today, people and companies are relying on the notion that a blend of "proven" or "traditional" marketing combined with slick new creative will yield results. The problem, says Stevens, is the creative ends up being the quantifying metric regarding how successful the marketing is rather than the achievement of the intended goal—driving sales.

Speaking on this topic at the Strategic Research Institute's *2nd Pharmaceutical Marketing Global Summit* held in Philadelphia, PA, February 26, 2004, Stevens offered advice for pharmaceutical marketers on how not to make their marketing suck. However, most of the examples Stevens chose to look at were from the packaged goods, automotive, or retail markets and not the drug market.

You Know Your Marketing Sucks When… Your Ads Win Awards?

Stevens questions whether advertising expenditures produce a return on investment or do they merely entertain? He suggests that "before you hire an [ad] agency, you have to forbid it from entering any advertising contest which is based solely on aesthetics. No more submissions for Clios," he says. "The only thing that puts dollars in the bank is market share, and Clios don't do that (except for the ad agency that wins them)."

You could search www.clioawards.com 'til the purple cows come home, but you are unlikely to find any Rx drug ads that have won Clios. According to Harry Sweeney, CEO of Dorland Global Health Communications, "traditionally, drug ads are not thought of as a 'hot' category by the TV or consumer print creatives or people in charge of the Clios; too much boilerplate, distasteful topics, boring, etc. You may recall the AlkaSeltzer tummy ads of the 1960s; they were among the last drug category 'breakthrough' ads -- and that's forty years ago!"

Mark Gleason, Partner at HyGro Consulting Group, dismisses Clios as an inappropriate measure of success as well. "Don't count on Clios covering Rx advertising," says Gleason, "as they are for creativity only and I doubt the FDA would allow or pharma marketers would want to win a beauty contest that has little if any relationship to effective communication or in-market effects."

Not that it's bad to win awards—even Stevens' firm MSCO has won some, although it no longer enters contests. It's just that your marketing success should not be measured by what awards you have won.

Continues on next page… ☞

The EFFIE: A More Relevant Award for Pharmaceutical Advertising

EFFIE Awards are given several categories, including a category for Rx drugs (Health Aids/Prescription Products). It is the award presented annually by the New York American Marketing Association in recognition of the year's most effective advertising campaigns—campaigns that have delivered superior results in meeting the objectives they were designed to achieve.

In the words of a recent winner, "Effective advertising is advertising that sells; advertising that builds market share. The EFFIE award is the symbol of effective advertising and a tribute to the client and agency partnership that strives to create it."

Winners in the Prescription Products category last year were Detrol LA ("Gotta Go", GOLD), Advair (Asthma Was, Advair Is, SILVER), and Paxil ("My Anxiety" and "What They Face", BRONZE).

See www.effie.org

Nothing happens until someone sells something

Perhaps we equate success with awards won because measuring the effectiveness of promotions is too difficult or expensive (however, see article "The New Written Prescription: Leveraging Technology to Measure Change in Physician Behavior as it Occurs" in this issue). Effectiveness is determined, as Stevens says, by sales. In this regard, he likes to quote the phrase, "Nothing happens until someone sells something."

In the Rx drug market, when exactly does someone sell something? Is it when the consumer goes to the physician? The drug industry often claims that the goal of DTC advertising is getting the consumer to see a physician. But that is just the first step in the selling process.

The consumer can leave the physician's office without a prescription or, worse yet, with a prescription for another product. Also, even if the consumer gets a script for the advertised product, he or she may not fill the prescription at the pharmacy, which is the actual place where "someone sells something."

Stevens, however, has a more pragmatic definition of when a "sale" is made in the pharmaceutical market. He recognizes the chain of events whereby the sales rep "sells" the drug to a physician who, in turn, "sells" it the patient. Finally, the patient buys the drug at the pharmacy to complete the sales process.

In Stevens view, pharmaceutical companies need to break away from "recipe thinking," which says to put an army of sales people in the field to detail physicians while directly marketing to consumers to drive them to the physician's office.

He suggests that playing both ends of the game is inefficient. "You don't need an army of sales people," claims Stevens, "to sell a product consumers are 'dying' for." I assume he meant figuratively 'dying,' not actually. Create demand and consumers will drive the process.

How to Make Your Pharma Marketing Not Suck

Pharma marketers are not sure what works, contends Stevens, so they "try to put a finger in every hole in the dyke" and leave too much up to guesswork. Stevens believes that PR is not used enough, especially for simple, effective drugs that consumers understand well. Word of mouth and more stories, Steven says, could help products like Nexium for acid reflux. "I use this product, but don't even know who makes it! Pharma companies should bring the company brand into the marketing more," he says. "The end use has absolutely no relationship with the company."

Infomercials, says Stevens, is where pharma companies can really educate people, tell stories and generate buzz. Realizing that this might be a "bold" move, Stevens suggests that pharma marketers need to "go right up to the traditional line of what they are permitted to say" while staying within the bounds of regulatory law.

In general, Stevens says pharma is allowing billions of dollars to be wasted because of recipe thinking. The industry is lopsided in its application of science—too much science is applied to discovery, while not enough is devoted to marketing. Until this message reaches senior management, which has "taken a back seat to marketing," pharma marketing will continue to suck, according to Stevens.

Pharma Marketing News

Conference Highlight

The New Written Prescription: Leveraging Technology to Measure Change in Physician Behavior as it Occurs

By **John Mack**

ImpactRx tracks what it calls New Written Prescriptions (NWRx), which are snapshots of physician behavior and promotion influences as they're happening. According to Nancy S. Lurker, CEO of ImpactRx, NWRx's are uncontaminated by managed care intervention and patient fulfillment issues and are the ultimate measure of physician behavior and, therefore, the purest measure of promotional effectiveness. Ms. Lurker was speaking at the recent 2nd Pharmaceutical Marketing Global Summit held February 24-26, 2004, in Philadelphia, PA.

ImpactRx has established an exclusive, longitudinal network of the nation's highest-prescribing physicians. This network contains just over 3000 MDs (a representative sample of the 30% of MDs who

write 60% of all prescriptions). Each physician is provided with a personal digital assistant (PDA) and a laptop computer to transmit information immediately after each patient encounter.

Every day, physicians in their network transmit detailed information about promotional and patient encounters including non-identifiable information about patient treatment decisions (e.g., diagnosis, drug treatment and samples distributed). ImpactRx measures the number of prescriptions that are written for a product for a newly diagnosed patient or a change in treatment.

According to ImpactRx, capture of NWRx's provides pharmaceutical companies with the earliest insight possible—upstream of the pharmacy—into the impact of their promotion, helping them measure and modify the strategic decisions that drive market share growth.

Impact of DTC: the ED Marketplace

Data from ImpactRx presented at the Global Summit and at a March 11, 2004, evening seminar ("DTC Sweeps: The Impact and Evolving Role of Direct-to-Consumer Marketing") hosted by the Metro Chapter of the Healthcare Businesswomen's Association (HBA), shed some light on the Erectile Dysfunction (ED) marketplace.

Pharmaceutical companies typically rely on dispensed prescription shares for everything from evaluating the effectiveness of promotional expenditures to monitoring the success of new products. However, there is a limitation associated with using dispensed prescription data, even dispensed new prescription data, for those types of analyses. In most therapeutic classes, especially classes involving chronic conditions, dispensed new prescription volumes are mostly continuations of existing therapies.

These continuation prescriptions contain-ed in what is labeled "new" dispensed prescriptions, have a significant "masking" effect when trying to determine current winners and losers in a therapeutic class. Market shares calculated with pharmacy-based new prescription data reflect not

only the current shares of truly new treatment decisions, but also other complicated dynamics such as the percentage of prescription volume coming from those continuing therapy patients and the time between repeated "new" prescriptions in continued therapy.

Looking at ED market dispensed NRx shares (Figure 1) a pharmaceutical marketer might discern a trend showing Cialis gradually taking market share away from Viagra. However, how much of this data is due to newly written prescriptions vs. continuing therapy (renewals)?

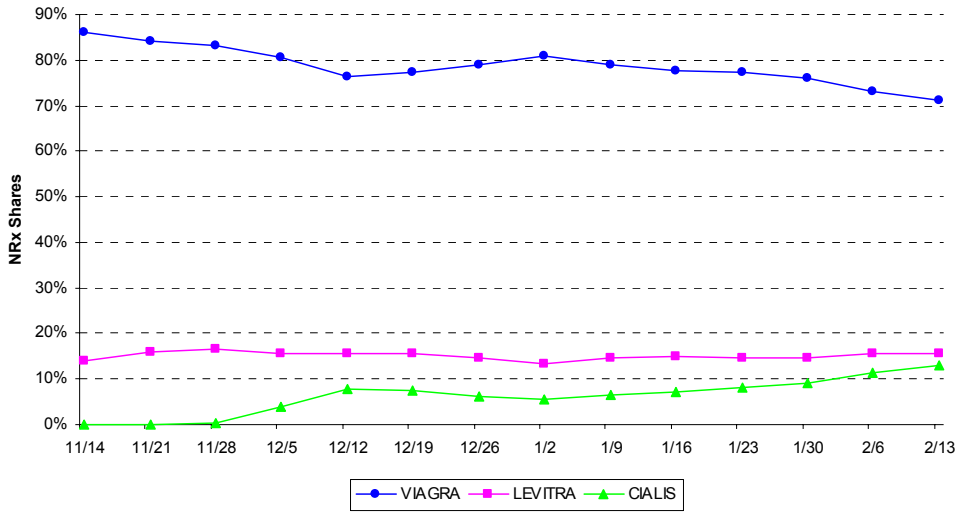


FIGURE 1: Dispensed NRx Shares, ED Market. Source: NDC Health.

The share of physicians' new treatment decisions can be significantly different from the share of "new" prescriptions recorded in our nation's pharmacies. How can a marketer gauge, for example, the effectiveness of DTC ads on the Super Bowl using these data?

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Through its technology-enabled network, ImpactRx is able to directly link the competitive promotional activity of the entire pharmaceutical industry to the prescriptions written by its physicians.

This is nicely illustrated by NWRx data for the ED marketplace as shown in Figure 2. The new written prescription share—as opposed to new dispensed prescriptions—indicates a real "Dog Fight" is developing among Cialis, Levitra, and Viagra.

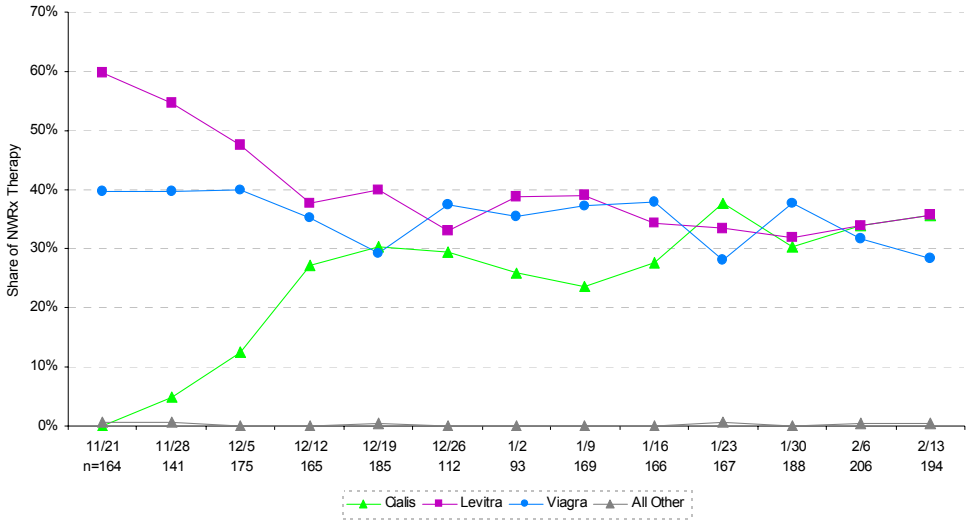

FIGURE 2: Share of NWRx Therapy, ED Market. Primary care physicians. Source: ImpactRx.

Impact of PR: the Statin Marketplace

On March 8, 2004, a press release from ACC annual meeting in New Orleans announced results from the Pravastatin or Atorvastatin Evaluation and Infection Therapy (PROVE-IT) study, presented during a late-breaking clinical trials session at the meeting and published online the same day in the New England Journal of Medicine. The study showed that atorvastatin (Lipitor®, Pfizer) 80 mg daily provided greater protection from death and cardiovascular events compared with pravastatin (Pravachol®, Bristol-Myers Squibb) 40 mg daily in patients recently hospitalized with acute coronary syndromes (ACS).

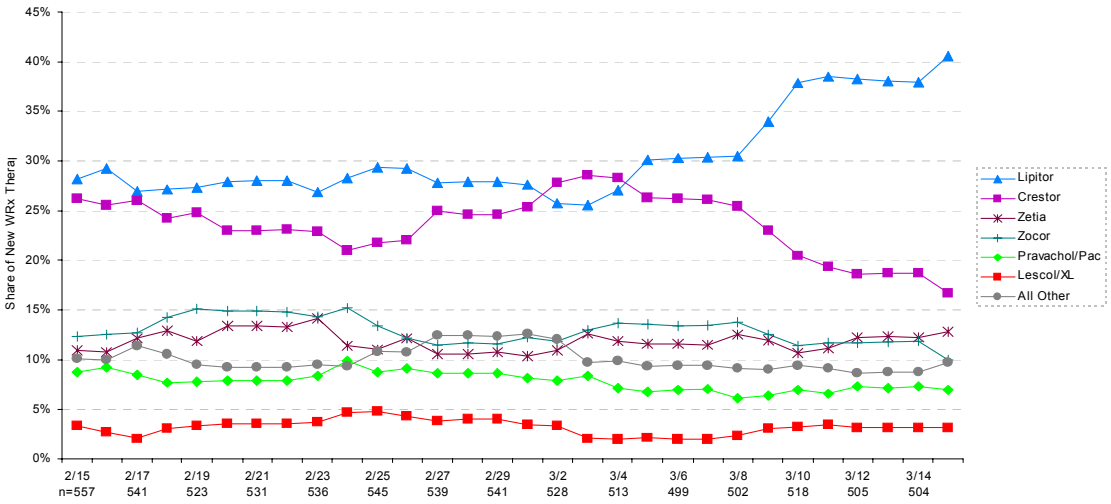

FIGURE 3: Share of New WRx Therapy, Selected Lipid-Lowering Drugs. Primary care physicians. Time period: rolling 7 days ending March 15, 2004. Source: ImpactRx.

The very same day Pfizer issued a press release entitled "Significant Reduction in Heart Attacks Shown in Patients Taking Pfizer's Lipitor." The major news media reported the story as well. Almost immediately,

PCPs in ImpactRx's network began writing more new prescriptions for Lipitor (Figure 3). Surprisingly, however, this increase came at the expense of AstraZeneca's Crestor®, whose NWRx share decreased proportionately. Pravachol's share of NWRx remained about the same.

As reported in the Wall Street Journal on March 18, 2004 ("Lipitor Prescriptions Surge In Wake of Big Study"), "many cardiologists and analysts thought both the high-powered drugs [Crestor and Lipitor] would benefit from the results." Another event may have influenced doctors' prescribing patterns those first few days of March, 2004. On March 4, 2004, the consumer-advocacy group Public Citizen petitioned the FDA to withdraw Crestor from the market because of potentially fatal side effects.

NWRx share data from cardiologists also showed an increase in Lipitor prescriptions written around the time that the PROVE-IT results were released (Figure 4). However, it appears that Zetia®, not Pravachol, proportionately lost share among cardiologists' NWRx's. Zetia, which is not a statin, is often prescribed in combination with statins to reduce cholesterol. The reason for this result is not known, but the availability of these data in "real time" allow Zetia's marketing and sales teams (Merck/Schering-Plough Pharmaceuticals) to also react in real time.

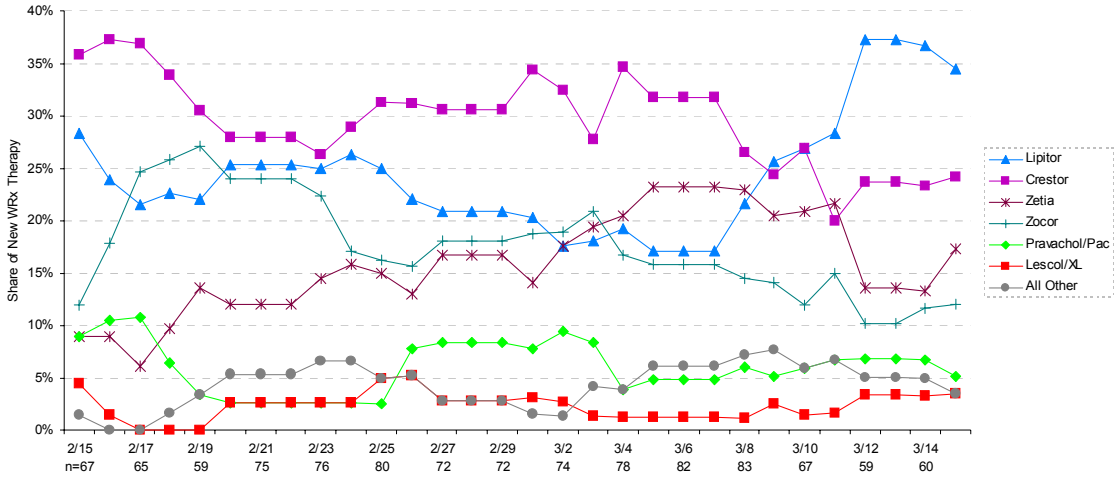

FIGURE 4: Share of New WRx Therapy, Selected Lipid-Lowering Drugs. Cardiologists. Time period: rolling 7 days ending March 15, 2004. Source: ImpactRx.

ImpactRx's real-time tracking of new written prescriptions give pharmaceutical companies an early indication of changes in physician prescribing behavior, which should allow them to better manage the efficiency and effectiveness of their sales and marketing efforts. It also provides news media and journalists with information they can use to report trends much more quickly than previously. How this will affect the use of PR in the pharmaceutical marketing mix remains to be seen.

Pharma Marketing News

Conference Calendar

March 2004

Pharmaceutical Pricing & Reimbursement
March 25-26, 2004 • Airport Marriott • Philadelphia, PA
http://www.pharma-mkting.com/meetings/M017B-mtg066.htm

3rd Annual eMarketing for Pharmaceuticals
March 25-26, 2004 • Philadelphia, PA
http://www.pharma-mkting.com/meetings/M006-mtg056.htm

DTC National 2004
March 25-26, 2004 • Boston, MA
http://www.pharma-mkting.com/meetings/M044-mtg067.htm

April 2004

1st Pharma Marketing Networking Cocktail Reception
Eat, Drink, Exchange Business Cards
April 7, 2004 • Princeton, NJ
http://www.pharma-mkting.com/meetings//triumph040704.htm

3rd Annual Forum on Patient Compliance and Persistency
April 19-20, 2004 • Philadelphia, PA
http://www.pharma-mkting.com/meetings/M039A-mtg047.htm

2nd Annual Aligning Medical Affairs and Marketing
April 26-28, 2004 • Princeton, NJ
http://www.pharma-mkting.com/meetings/M006-mtg053.htm

May 2004

Field-Based Dissemination of Scientific Information
May 13-14, 2004 • Philadelphia, PA
http://www.pharma-mkting.com/meetings/M004A-mtg054.htm

Health Care Research & Innovations Congress
May 17-19, 2004 • La Vegas, NV
http://www.pharma-mkting.com/meetings/M131-mtg069.htm

Publication Planning 2004
May 24-27, 2004 • Princeton, NJ
http://www.pharma-mkting.com/meetings/M006A-mtg060.htm

June 2004

2nd Annual Forum on Anonymous-Patient Level Data & Analysis
June 3-4, 2004 • Philadelphia, PA
http://www.pharma-mkting.com/meetings/M004A-mtg059.htm

Maximizing the Value of Investigator-initiated Post-marketing Clinical Trials
June 23-24, 2004 • Philadelphia, PA
http://www.pharma-mkting.com/meetings/M006-mtg061.htm

Resource List

The following resources were consulted in the preparation of this issue or cited within this issue.

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- EFFIE Awards. http://www.effie.org (accessed 16 Mar 2004). The New York American Marketing Association introduced the EFFIE Awards in 1968. It is the only national award to recognize creative achievement in meeting and exceeding advertising objectives.
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- Petition to the FDA to remove the cholesterol-lowering drug rosuvastatin (CRESTOR) from the market (HRG Publication #1693); Public Citizen, March 4, 2004. http://www.citizen.org/publications/release.cfm?ID=7305 (accessed 19 Mar 2004).
- AstraZeneca Response to Consumer Group Petition. Astrazeneca press release, March 6, 2004. http://www.astrazeneca-us.com/modules/PRMS/display.asp?id=181623 (accessed 19 Mar 2004).

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