

Conference Highlight

Marketing the Pharma Industry: The Empire Strikes Back

By Dan Limbach

How many Pharma Marketers does it take to change public perception? Over 60 sharp marketing minds spent a couple days attempting to address perhaps the industry's most baffling issue—more on that in a minute—at the recent Pharmaceutical Marketers KnowledgeShare Forum, sponsored by PharmaVOICE magazine.

Most conferences can be judged on two things; the quality of the content and the quality of the networking. This event succeeded on both counts.

In attendance were marketers from many of the top companies in the industry. Many were senior-level strategists, while others came straight from the marketing execution trenches. The mix was a representative cross section of the Pharma marketing profession.

A Unique Format

I've been to many conferences, seminars, congresses, and forums. This one was a refreshing deviation from the norm. This was not your typical podium speech delivered to a passive audience.

Day One, entitled "Gaining Knowledge," consisted of a steady diet of roundtable discussions on specific topics—branding, consumer marketing strategies, ROI, and e-marketing technologies to name a few.

Each table was seeded with one or more Thought Leaders who facilitated the discussions. The informative, collaborative environment found everyone building upon the observations made by others. Each session I attended seemed to end too quickly, which is the hallmark of a stimulating discussion.

Marketing Best Practices

In the session called "Breakthrough Consumer-targeted Marketing," a number of Best Practices were acknowledged, including:

- Educate people about the disease first, then the brand
- Don't treat all patients or all doctors alike – segment into subpopulations
- Shift dollars from trial promotions (front-end) to patient support programs (back end)
- Break down the silos – get the DTC, DTP, branding, and med-reg teams talking to each other

- Partner with advocacy groups
- Foster a partnership between patients and physicians

ROI Solutions

In the session titled "ROI Analysis," several Best Practices and solutions were highlighted.

- Identify a few key metrics – decide what you want to measure
- Don't ignore less tangible metrics (e.g., salesforce's satisfaction with tools)
- Optimize your investments through weekly analysis by market and tactic
- Share the risk among all stakeholders (internal silos and outside agencies)

eTechnology Tips

In the session titled "eTechnology Update," numerous guidelines and tips were discussed.

- Protect your trademarks in the search engines (file with Google)
- Go where you market goes (Google, WebMD, iVillage, etc.)
- Create enduring, reusable materials (archive live events on the web)
- Distribute content on multiple channels (web, email, PDA)
- Anticipate next wave of tech channels (Cell, Blackberry, PDA, Podcasting)
- Focus on an opt-in, not opt-out permission strategy
- Don't scare senior management – explain the strategy in their terms

Day Two, "Turning Knowledge into Action," found us divided into three teams, Red, Yellow and Blue. After a morning briefing, each team was sent off to a separate HQ for some serious analysis and strategy discussions.

Here's the premise. The industry has been taking it on the chin from a vocal public for years, and it's not looking like it will get any better soon. Public sentiments abound. The quality of healthcare is declining. Accessibility is diminishing. Costs are rising. Drug companies are only interested in profits. The list goes on and on.

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Given broad authority and resources, how does the team devise a solution within a few hours' time? The gauntlet had been thrown.

Most interesting to me were the somewhat similar paths the teams took toward a solution. I can speak from direct experience as a member of the Red Team and indirectly through discussions from people on other teams. All three teams started slowly, poring over the data provided by the facilitators, and identifying the core issues. The rooms were filled with a healthy tension.

The first hour was spent trying to find some kind of purchase on the unsteady landscape we were faced with. Baby steps. Once a little traction was acquired, the teams became more active. Enthusiasm rose, and everyone shared a piece of their intelligence with the collective. The initial period once dominated by questions, turned into a volley of ideas and potential solutions. As the minutes ticked toward the deadline, the teams had to package their strategy and prepare it for a group presentation.

Key Problems Identified

I took away several key points from the team sessions and watching the presentations of the other teams. Of course, everyone took away their own version of the problem. Here's mine.

People think drugs are too expensive

Is that really true? Drugs are only 10% of the overall costs of healthcare. People are reacting because their copay has gone up, not because of the drug prices themselves. Maybe it's actually an insurance issue. As one teammate said, "People can spend \$100/month on Starbucks, but that \$30 copay for their prescription drives them mad."

The right drugs are not accessible to every American

Those with good medical benefits have adequate access to the medicine they need. But what about the uninsured and underinsured? According to Health Affairs, over 45 million Americans are uninsured, and more than 16 million Americans are underinsured. Over 61 million people in the U.S. face economic hardship in the event of a serious medical event.

The Pharma industry does not fight back when "kicked."

The 90's brought unprecedented success in the industry. We may never see such a climate again. Over the last several years, the Pharma industry

has taken shots from numerous fronts, and has not fought back.

It's politically *en vogue* to slam the drug companies. As long as voters believe drug companies are the "Evil Empire," politicians will push the agenda that way. How does an industry fight the will of the people?

Solutions Suggested

The format of the Forum allowed attendees to share in the collective wisdom of over 60 pharma marketing professionals. Here is a composite overview of the three teams' efforts at solutions to the problems covered.

1. Create an Industry Coalition

It's not about circling the wagons in a defensive posture. It's about taking the message to the streets. Stop waiting for one company to take the lead. Together we can make a difference and share the cost (and the benefits). Check your egos at the door. Messages are not specific to any brand or therapeutic category. People before profits is the way.

2. Admit there is a problem with the current system.

Don't try to convince people that what they believe about the drug industry is wrong. Recognize that there are people who can't afford the treatments they need, and that changes are necessary.

3. Make a pledge

Put a stake in the ground and offer a solution everyone can understand. Launch a heavy-up media campaign using broadcast and web channels.

"We promise that all Americans will get the medicines they need, when they need them."

4. Work with key stakeholder organizations (AARP, AMA, FDA, etc.)

By including organizations like these in the early stages, the project will have a much better chance of succeeding.

5. Find the right spokesperson to launch the campaign

All three teams agreed Oprah was the best choice for a celebrity spokesperson. She has the reach, she generates publicity, and she embodies authenticity. Other solid candidates included John Glenn and Paul Newman. In fact, nobody said it had to be one person.

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6. Implement the new system and give it legs

Set up information kiosks at malls and other public locations. Staff the kiosks with industry personnel, including drug reps. Help consumers sign up for existing programs in which they qualify. Enroll those who do not qualify for any existing programs into a new program funded by groups that include the industry coalition. Create a web site that performs similar info/enrolment activities. Use the Internet in every way possible.

Timeline

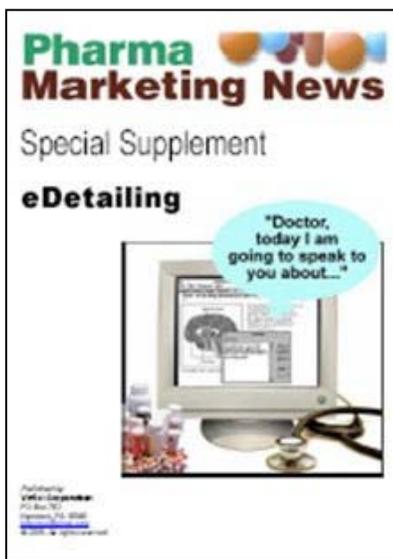
Everyone agreed this is not a simple 6-month PR campaign. More like a 5-year initiative to promote change internally and externally. Certainly it's just the beginning of a long-term solution, and the ideas from the forum are a great start.

Summary

Is public perception accurate? Not entirely. Is the drug industry perfect? Not by a long shot. The industry is on the defensive, but is not without resolve and resources. We have to take charge of our destiny, and do it for the right reasons. More than anything else, at the core has to be the desire to make things better for everyone.

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