Pharma Marketing News

www.pharmamarketingnews.com

December 2006
Vol. 5, No. 10
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Published by
**VirSci Corp.**
*www.virsci.com*

## Contents



## Up Front

# Betting the Pharm

Pfizer's failure to launch torcetrapib will have repercussions throughout the industry on many different levels. As a seminal event, it will rival the withdrawal of Vioxx from the market.

First, it is "devastating to Pfizer" whose executives bet big on torcetrapib as a replacement for Lipitor, which will go off patent in 2010.

Pfizer Chief Executive Jeffrey Kindler believed that torcetrapib was "one of the most important developments in our generation" and Pfizer research president John LaMattina said, "We believe this is the most important new development in cardiovascular medicine in years."

These executives as well as every Pfizer employee must be in shock and awe. Shocked that their company could fail so publicly and awed by the power of the butterfly effect that a rise in a few millimeters of mercury of blood pressure can have.

Second, the failure of torcetrapib will likely lead to further layoffs of sales and marketing people at Pfizer on top of the previously announced 20% cut.

While Mr. Kindler says he is "relentlessly focused on shareholder value," some $20 billion of it evaporated on Monday, according to the Wall Street Journal. That makes the $800 million Pfizer claims to have spent on development costs look like a rounding error.

Some analysts are predicting that Pfizer will have to buy new drugs for its pipeline through mergers and acquisitions and this will speed up M&A activity throughout the industry.

Torcetrapib problems may have resulted from raising the level of "bad" HDL. If so, that would signal trouble for the entire class of CETP inhibitors. "The whole class goes down at that point," said Steven Nissen, chief of cardiovascular medicine at the Cleveland Clinic.

The visible failure of Pfizer's prize replacement for Lipitor may also be sending a chill through the public, which could be losing confidence in Lipitor and other lipid-fighting drugs despite the lack of any supporting scientific evidence.

Finally, the torcetrapib failure puts a monkey wrench into the ascendancy of commercialization over science. Some experts claim that, like it or not, "we are in an era where development of 'successful' drugs is going to be shaped by potential marketplace success" rather than clinical efficacy (see page 15).

Torcetrapib may have been one of these drugs shaped more by commercial potential—ie, blockbuster potential—than by any viable science to back it up.

A recent article by an assistant managing editor at The Wall Street Journal questions this strategy and suggests that Pfizer and the rest of the pharmaceutical industry needs to change its "creaky traditions," including how it develops drugs, sells drugs, and manages public opinion. Amen!

**John Mack**, Publisher
**Pharma Marketing News**

## Feature Article

# Congress vs. Pharma: Trouble Ahead?

By **John Mack**

Now that the elections are over, the pharmaceutical industry is left to ponder what the new Congress has in store for it. There has already been a lot of speculation in the general press and trade media as well as a few shots fired across the bow by Congress.

It's not just democrats itching to get at Pharma. For example, the Senate Committee on Health, Education, Labor, and Pensions (HELP) chaired by Sen. Michael B. Enzi (R-Wyoming), met in full session on November 16, 2006 to discuss revamping the FDA ("Hearing on Building a 21st Century FDA: Proposals to Improve Drug Safety and Innovation") and Senator Charles Grassley (R-Iowa) put a hold on the nomination of Dr. Andrew C. von Eschenbach for commissioner of the FDA.

The following is a synopsis of the issues and changes experts have predicted that the drug industry will be subjected to in the next legislative session:

*Drug Price Related*

- Change Medicare to specifically allow the government to directly negotiate prices with pharmaceutical companies
- Allow drug importation from Canada
- Patent Reform; ie, set limits on whether big pharmaceutical firms can make deals with generic drug makers

*Marketing Related*

- Enact a mandatory 6-month, one- or two-year moratorium on ads for new drugs
- Require FDA pre-clearance of all DTC ads
- Wipe out or limiting tax deductions for advertising expense
- Require a "black triangle" in ads and labels for new drugs
- Set standards for risk presentation that make broadcast ads infeasible

*FDA/Drug Approval/Safety Related*

- Hold up of Prescription Drug User Fee Act (PDUFA) reauthorization
- Make FDA more powerful; eg, create office of drug safety within FDA, give the FDA the power to fine companies to force them to do safety studies or change the labels of drugs (Grassley-Dodd and Enzi-Kennedy bills)

To explore these issues further and to get a better idea what actions Congress may take that may affect the industry, Pharma Marketing Network hosted an online survey and a follow-up podcast Roundtable discussion. This article summarizes what was learned from the experts who participated.

**Survey Results**

The "What's In Store From Congress" online survey posed the following question:

Regardless of how you feel personally about whether or not such legislation should be passed, please indicate how likely or unlikely you believe Congress will enact legislation to require or allow the following:

- Some form of a mandatory moratorium on DTC ads for new drugs
- FDA pre-clearance of all DTC ads
- Wipe out or limit tax deductions for drug advertising expenses
- A "black triangle" in ads and labels for new drugs
- Make FDA more powerful with regard to drug safety and approval (eg, create office of drug safety within FDA, give the FDA the power to fine companies to force them to do safety studies, etc.)
- As part of Medicare Part D reform, allow the federal government to directly negotiate prices with pharmaceutical companies
- Rx drug re-importation from Canada
- Through patent reform, set limits on whether big pharmaceutical firms can make deals with generic drug makers

The results are summarized in the figure on the next page.

*Continued on next page…*

**Podcast Discussion**
The following discussion is an excerpt from the Pharma Marketing Talk Show podcast, which was broadcast live on November 28, 2006. You can download the entire audio archive at http://www.pharma-mkting.com/talk/show003.htm

Guests included:

- **Jack Barrette**, Category Development Officer, Yahoo!
- **Walter Bartus**, Sr. Program manager, Xchange
- **Mario Cavallini**, Manager, Competitive Intelligence, Rossetta Marketing
- **Neil Gray**, Managing Director, Healthcare Trends & Strategies, LLC
- **Richard Meyer**, Senior eMarketing Manager, Medtronic-Diabetes
- **Harry Sweeney**, CEO/Chief Creative Officer, Dorland Global Health Communications

In preparation for this podcast, guests had access to several articles that laid out some of the changes that Congress might have in store for the pharmaceutical industry (download here). Some of the major battles are summarized in Table 1 on page 5.

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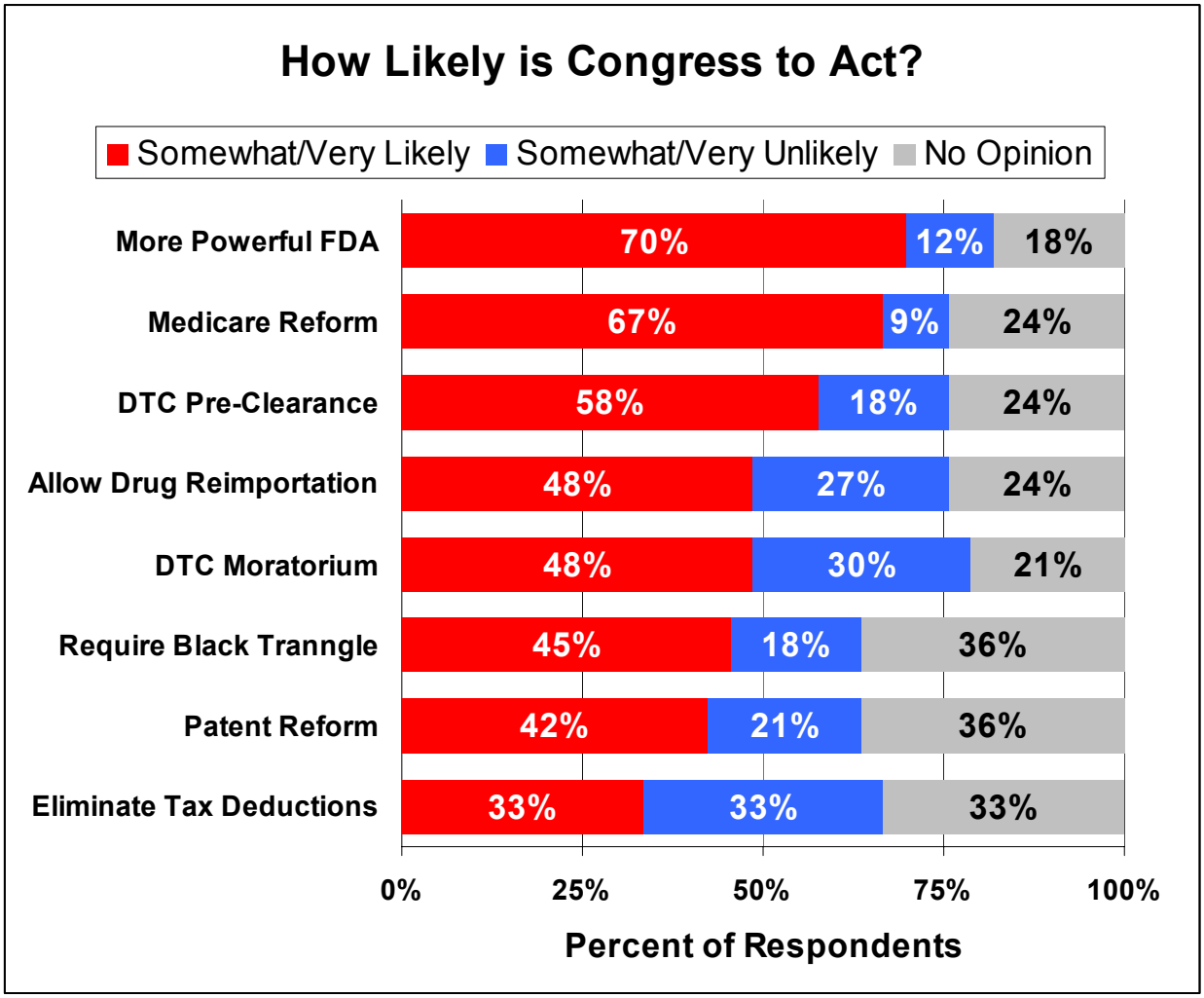
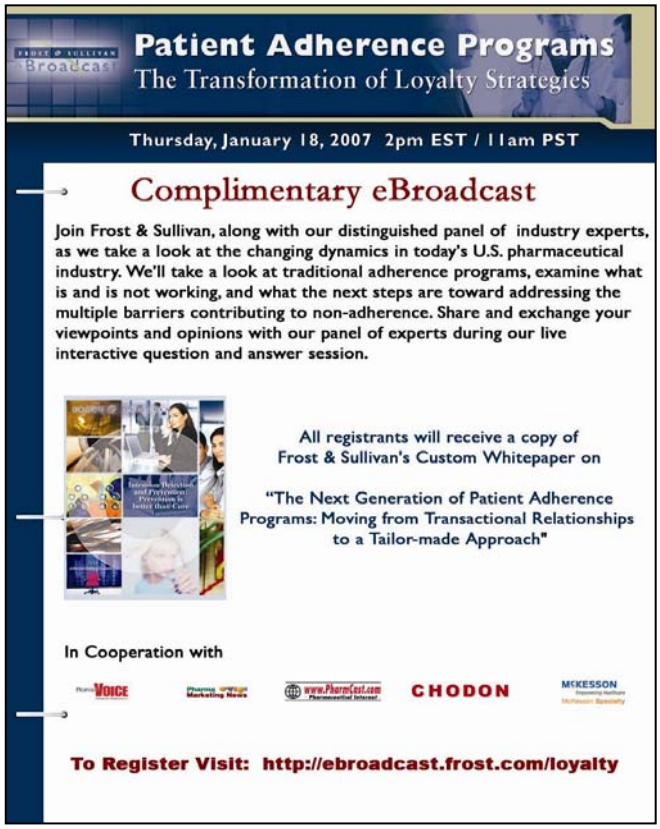



FIGURE 1: Results of the "What's In Store From Congress" online survey. Access the latest results online at http://www.surveymonkey.com/Report.asp?U=291261388846

| Legislation | What it is | Impact |
|---|---|---|
| Medicare reform | Would remove a clause that prevents the U.S. government from negotiating directly with drug firms. | Could allow the government to force lower drug prices |
| Drug importation | A law allowing patients to get cheap drugs from Canada looks increasingly likely. | Probably minimal, but the industry would lose face. |
| Prescription Drug User Fee Act reauthorization | The law that lets the drug industry fund the FDA in return for faster drug approvals is up for review. | A delay could slow the FDA; drug safety laws could be attached to it. |
| Patent reform | Basic reforms might make it more difficult to file multiple patents on a drug. | Limits on whether big pharmaceutical firms can make deals with generic drug makers are possible. |
| Medicaid reform | The system purchases drugs for the poor. A 2005 law already sought to save money. | Many prescription drugs, like those for schizophrenia, actually have much of their market share here. |
| Drug safety | Two bipartisan bills aim to make the FDA more powerful. | Will likely force the drug industry to disclose more data and do more studies. Drugs may carry stronger warnings. |

TABLE 1: Six Battles For Big Pharma. Source: Catherine Arnold, Credit Suisse First

**Mack**: Let's start our discussion with Medicare Part D reform, namely the promise that Democrats made to change the law to allow the federal government to directly negotiate prices with pharmaceutical companies. Anyone willing to comment on that?

**Cavallini**: I'm guessing that's not likely to happen. If it were to happen, there would be more connections between government and the pharmaceutical industry that would further magnify the issue of special interests influencing prices.

**Mack**: Some experts suggest that if the government were to negotiate lower prices for Medicare Part D beneficiaries, it would force pharmaceutical companies to raise prices for other purchasers.

**Sweeney**: History has shown that any time the government starts tinkering with prices, things go awry. Controlling drug prices is not going to fix the problem of rising healthcare costs. Drug costs are only a small fraction of the overall costs. If the objective is to save the most money, then we have to look at other parts of the healthcare system, like hospital costs, which account for over 30% of expenditures. But it is politically more correct to focus on the pharmaceutical industry, which has borne an undue level of criticism on this issue.

**Mack**: What about the effect on innovation? A study I've seen estimates that 100 or so less drugs per year would come to market if the government negotiated Medicare Part D prices and thereby limited pharma's profits.

**Sweeney**: If the private sector doesn't fund innovation, where's the money going to come from?

**Meyer**: You bring up some really good points. I don't think anybody believes that the government is the answer to the problems that plague the industry. People don't understand how costly it is to bring a drug to market. These costs are increasing and pharmaceutical companies have a responsibility to their shareholders.

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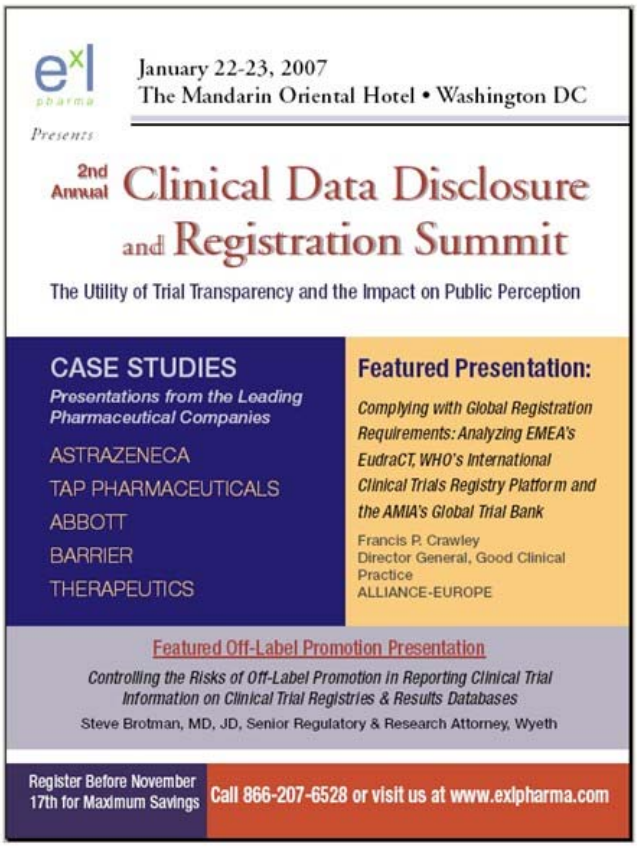




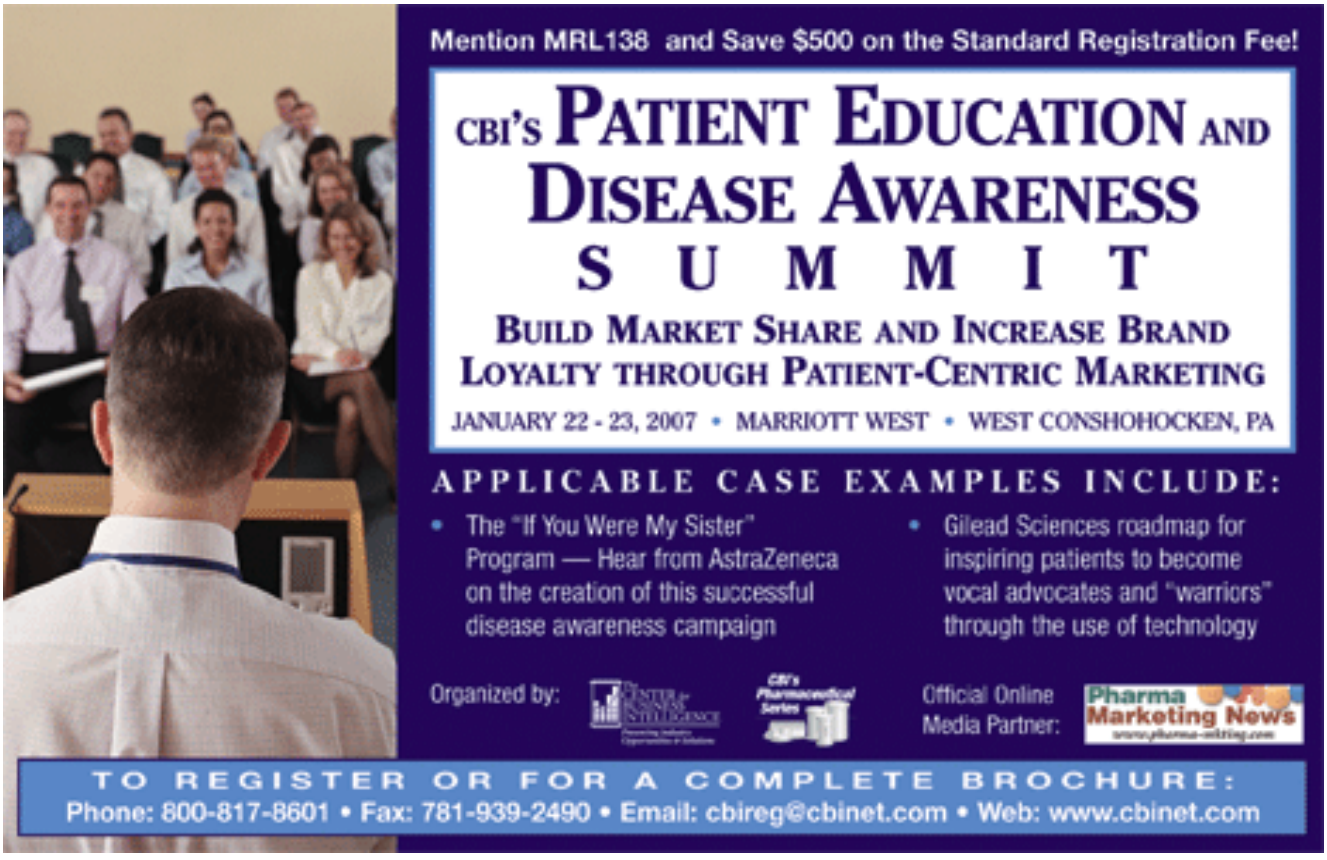

### Medicare Reform May Hurt DTC?

"It is clear that the Medicare administration will have significant leverage with drug companies if that negotiating power is granted by Congress. Although they cannot, for first amendment reasons, prohibit DTC, they might informally give preference in negotiations to drugs that agree not to advertise. I expect most drug companies would gladly drop DTC if they get a higher price in return for a formulary preference." – Bob Ehrlich, Chairman, DTC Perspectives, Inc.

**Mack**: Speaking of bringing new drugs to market, what about bills in Congress that address the FDA to make it more powerful especially with regard to drug surveillance and safety issues. For example, establishing a separate drug safety office and giving the FDA the power to fine companies who do not comply with drug surveillance study requirements.

**Barrette**: We've seen some news about the FDA collecting fees for review of DTC advertising (see, for example, "Pay Per DTC Ad View Update"). A large portion of this money would go to collecting more drug safety information after launch. With more funding for these kinds of activities by pharmaceutical companies, there will be an increased perception that the FDA is a "client" of the industry. Is the FDA the right horse for politicians to bet on or will people look to an outside entity to monitor drug safety, which could be very dangerous?

**Meyer**: Would another layer of government bureaucracy really help?

**Gray**: We are definitely going to see the FDA strengthened greatly maybe not over the two years, but definitely after the next presidential election. There's also going to be a lot more push from the government to "encourage" the industry to get its clinical trials act together, to be more efficient and more effective. Obviously, this will help lower drug prices.

**Sweeney**: What level of safety are we talking about? What level of risk is the public willing to accept? Have we seen any studies or discussion on this? Even in the Vioxx case, you are talking about a fraction of one percent in terms of adverse events. In biological systems, we cannot achieve a level of zero risk. What level of risk we can accept has not even begun to come into the conversation.

**Cavallini**: Actually, the bill that Senators Kennedy and Enzi put up after the IOM report includes a sort of "Risk Map lite" provision for newly approved drugs (see Box below). Under this provision, each new drug must include a risk plan.

**Direct-to-Consumer Advertising**

**Mack**: Let's move on to some other issues, such as a moratorium on DTC advertising for new drugs. We've seen some pharmaceutical companies implement a voluntary moratorium of 6 months to one year. What about making this mandatory? Will that be written into law?

*Continues…*

### S.3807: Enhancing Drug Safety and Innovation Act of 2006 Risk and Mitigation Strategy

Under the Enhancing Drug Safety and Innovation Act, FDA would begin to approve drugs and biologics, and new indications for these products with risk evaluation and mitigation strategies (REMS). The REMS is designed to be an integrated, flexible mechanism to acquire and adapt to new safety information about a drug. Sponsors would propose a REMS and FDA would approve it after structured discussions. The sponsor and FDA will assess and review the REMS at least annually for the first three years, as well as in applications for a new indication, when the sponsor suggests changes, or when FDA requests a review based on new safety information.

Every REMS would have the following elements:

- The drug's FDA-approved professional labeling;
- 15-day, quarterly, and annual reports of adverse events for the drug;
- A pharmacovigilance statement that explains and justifies whether standard adverse event reporting for the drug is adequate to assess known serious risks and to identify unexpected serious risks, or whether and what additional studies or clinical trials are needed;
- A timetable for periodic assessment of the REMS.

**Cavallini**: That's one of the few changes that might actually happen. Having the industry do something that won't cost them any money is going to be an easy call for politicians.

**Barrette**: I would agree. Everyone agrees that the idea has some merit. The industry itself cannot make guidelines stick unless it comes from an outside organization. Believe me, Yahoo! is in the business of helping pharmaceuticals companies do DTC, but it would help if the rules were clear instead of changing every time a company wants to do a press release.

**Sweeney**: I think it's a terrible idea to implement a fixed-term moratorium across the board for all new drugs. At the least, we should make a distinction between drugs that are truly life saving versus third or fourth drugs in a class that are not so critical from a public health perspective. Also, I can think of two cases where problems were identified with drugs because a critical mass of use was achieved in a very short period of time, which DTC advertising can only help bring about. If the promotional effort had not raised the level of use to the degree that it did, and the adoption curve dragged out for a long period, the side effects might never have been identified.

**Mack**: What about getting that same level of adoption through physician promotion?

**Sweeney**: These examples were a result of physician promotion. DTC would only increase the awareness faster.

**Gray**: What's the rationale for the moratorium?

**Cavallini**: The rationale for a moratorium publicly expressed by the industry was that the moratorium gave pharmaceutical companies more time to promote the drug to physicians so that the physicians are familiar with the drug before they start hearing about it from patients who saw it advertised on TV.

**Barrette**: I agree that that was the appropriate first reason for a moratorium, but there's no question that the safety issue is now inappropriately or inaccurately attached to this idea.

**Cavallini**: Another reason this is likely to happen is that it doesn't rely on the FDA, which as other people have mentioned, is not a high-valued stock right now.

### Mandatory Pre-Clearance of DTC

**Mack**: Well, even so, there's the issue of mandatory pre-clearance of DTC ads by the FDA after the moratorium ends.

**Gray**: That may actually improve the quality of information flowing through DTC ads!

**Mack**: Are they talking about just broadcast and print DTC or are they also talking about online DTC?

**Barrette**: Depending on how you define it, only broadcast and print is DTC. Online advertising, although it may reach similar numbers of people as do broadcast and print, is not covered by separate guidelines. It has been a challenge for us not to have clearer guidelines for online DTC advertising.

**Bartus**: Typically, the FDA does not "approve" ads, but rather simply does not file an objection and allows them to go forward.

**Mack**: Last year AstraZeneca proposed pre-clearing all ads with the provision that the FDA cannot later request that "approved" ads be pulled. Any comment on that?

**Sweeney**: Based on past history, it is highly unlikely that the FDA would ever agree to concede their right to sanction an ad based on further consideration. By the way, although companies may agree to pre-clearance, it is a First Amendment violation. That hasn't been tested yet, but there are institutions that are interested in testing it in the courts.

**Cavallini**: There's another good reason why the FDA should not give away its power to sanction a pre-approved ad. When the FDA reviews ads they are looking at individual elements that are part of a general marketing plan. Recall the Dorothy Hamil Vioxx ads. You had two ads, a reminder ad that mentioned the brand but not the condition and another that talked about the condition and didn't mention the brand. They both used the same imagery, the same music, etc. Both were legitimate as separate ads, but when used together they were considered a branded ad that did not include fair balance as required by law.

**Sweeney**: That was obviously a gaming of the system. Most observers thought "What were they thinking?!"

### Black Triangle Label for New Drugs

**Mack**: What about the use of a black triangle on labels of new drugs for a period after approval? It's something that's done in the UK, for example, to indicate that this new drug may have unknown side effects (see Box, next page).

**Sweeney**: In the abstract, it's probably a good idea, but FDA could require it for up to two years.

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Why these arbitrary dates? There's been almost no public conversation about this.

**Bartus**: Isn't the purpose of the black triangle to notify patients that they are "guinea pigs"?

**Sweeney**: That's certainly a viewpoint that's been expressed. Again, how far out do you want to test? What is the level of risk that we are willing to accept? That needs to be determined so that whatever restrictions are imposed, we know where the line has been drawn.

## Black Triangle

"A black triangle appearing after the trade name of a British medicine (or vaccine) indicates that the medication is new to the market, or that an existing medicine (or vaccine) is being used for a new reason or by a new route of administration.

"The black triangle also highlights the need for surveillance of any Adverse Drug Reactions (ADRs) that might arise from the use of a new medication. The Medicines and Healthcare products Regulatory Agency (MHRA) encourage anyone to voluntarily report ADRs (however minor) via the Yellow Card Scheme to gather more information and gain more understanding of a new medication.

"After a new medicine (or vaccine) has been brought to the market there is still a lot that can be learnt about the drug from its widespread use. Similarly, if an existing drug us being used in a situation where it was not used before or if it is been given by a different route of administration a lot can still be learnt about its new or modified use.

"The black triangle label generally stays with the new drug (or new use of an existing drug) for at least 2 years, when it is reviewed, and after this time the black triangle label may or may not be discontinued." – wikipedia, http://en.wikipedia.org/wiki/Black_triangle_%28pharmacology%29

**Mack**: We may not have to agree what an acceptable risk is, but we need to know what the risks are and communicate that to consumers. The black triangle may be used until the drug company concludes its post-marketing safety studies.

**Worst Case/Best Case Scenarios**

Mack: We discussed a lot of things Congress may do that will impact the industry. Which is the worst thing it could do?

**Cavallani**: I think the worst thing that can happen is nothing! They may tweak around the edges, do a lot of finger pointing over the next two years, launch a number of investigations, and, in general, continue undermining of the FDA from within and without. On the other hand, the best thing that could happen would be a genuinely strong FDA.

**Gray**: A strong, effective, and responsible FDA would be a good outcome.

**Meyer**: With strong leadership!

**Gray**: I think that's a very under emphasized piece of the solution. The FDA really has not had consistent senior and middle management leadership for a decade. It really affects the industry quite significantly.

**Barrette**: The public trust in the FDA has to be restored. That comes from leadership as well as clarity for the industry so there is no question about where the lines are drawn for what's allowed and what's not.

**Mack**: It appears from this conversation that this is the most important issue and the others are more political issues tied to drug prices and the bad reputation of the industry.

**Meyer**: There's a lot of consumer anger out there that was revealed by the recent election. Until the pharmaceutical industry gets its act together and formulates a communications strategy to inform the American public about how much it costs to bring a drug to market, it will have to deal with this kind of scrutiny over and over again.

**Pharma Marketing News**


http://www.pharmamarketingtalk.com/

## Conference Highlight

# Pharma's Plodding Approach to eMarketing

*Mind-Boggling Communications Vs. Mind-Numbing Resistance*

**By Harry Sweeney**

Speaker after speaker at eyeforpharma's eCommunication & Online Marketing Conference, held recently in Philadelphia, commented on the plodding approach to e-communication and e-marketing taken by the pharmaceutical industry.

While the rest of the business community seemingly can't line up fast enough to take advantage of the cost-reductions, connectivity, flexibility and ability to sustain relationships with their customers that on-line, interactive communications provide, healthcare professionals are just beginning to achieve levels of critical mass and pharmaceutical marketers are lagging behind the "technobandwagon." Moreover, for those who have climbed aboard, few know how to optimize their use of this business-model-changing phenomenon, say the experts.

**Hurdles Acknowledged But Not Managed**

In defense of the industry (and those of us who provide services for it), one response to the criticism about slow technology adoption rates might be: "It's the doctor-patient relationship, stupid! We're afraid of being accused of interfering with it."

Having been down this road before, just a few years ago, when direct-to-consumer (DTC) advertising was in its infancy, this writer couldn't overcome a feeling of déjà vu all over again. Anticipating criticism of DTC, a small group of experienced pharmaceutical advertising executives conducted a panel discussion at the annual meeting of the American Association of Advertising Agencies and, citing the different medical and professional, cultural and regulatory norms that the prescription drug industry has to deal with every day, warned "consumer" advertising executives to "Be careful!"

The blank expressions on the faces of the consumer agency executives gathered to hear the talk said it all: "We just don't get it." Follow-up questions such as: "How can you live with that?" led to the same conclusion. The cultural, legal and regulatory restrictions that the pharmaceutical industry operates within simply are not well understood by most "laypeople."

**Ready or Not, Web 2.0 is Here!**

Meanwhile, the use of the Web in the US for health information has skyrocketed. Over two-thirds of US adults have used the Internet to search for health information, and interest runs across all age groups. Consumer empowerment is the catch-phrase of the day, and professionals, patients, and caregivers are all using the Web to achieve it. Communities of interested parties are forming around and in spite of legal and regulatory shackles that keep the pharmaceutical industry out if the game.

"The technology is into Web 2.0," said one attendee, "and the lawyers and regulatory affairs guys in most Pharma companies haven't figured out how to deal with the basic Internet."

"Web 2.0" is one of the latest buzz-words among the technosavvy crowd. It refers to the chat rooms, discussion groups, blogs, wikis, podcasts, cell phones and shareware of all kinds that transfer the power to communicate among individuals who form their own online communities and social networks (see box, next page). Think patient groups!

**Futurist Visions**

Some futurist podium observations were extremely thought-provoking. The use of web-distributed, personalized "from your doctor" video explanations is just one example that might overcome health literacy issues. Instructions and reminders podcast to a patient's cell phone to improve compliance or reinforce suggested lifestyle changes, was another gee-whiz moment. Prescreening patients with online Q&As as a way to save valuable in-office time, was another idea presented.

Did you notice, however, that each of these examples involves some communications aspect of the practice of medicine? Is our sociomedical system ready to accept leadership in this area from the commercial sector?

**Search Ad Faux Pas**

I felt sorry for one presenter from a major search engine company who brightly demonstrated how all its the online services might be supported by

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## Web 2.0

Web 2.0, a phrase coined by O'Reilly Media in 2004, refers to a supposed second generation of Internet-based services—such as social networking sites, wikis, communication tools, and folksonomies—that emphasize online collaboration and sharing among users. O'Reilly Media, in collaboration with MediaLive International, used the phrase as a title for a series of conferences and since 2004 it has become a popular (though ill-defined and often criticized) buzzword amongst certain technical and marketing communities.

As used by its proponents, the phrase "Web 2.0" refers to one or more of the following:

- The transition of Web sites from isolated information silos to sources of content and functionality, thus becoming computing platforms serving Web applications to end users
- A social phenomenon embracing an approach to generating and distributing Web content itself, characterized by open communication, decentralization of authority, freedom to share and re-use, and "the market as a conversation"
- A more organized and categorized content, with a far more developed deeplinking Web architecture than hithertofore
- A shift in economic value of the Web, possibly surpassing that of the dot com boom of the late 1990s
- A marketing-term used to differentiate new Web businesses from those of the dot com boom, which due to the bust subsequently seem discredited
- The resurgence of excitement around the implications of innovative Web applications and services that gained a lot of momentum around mid-2005

Source: Wikipedia, the free encyclopedia, http://en.wikipedia.org/wiki/Web_2

pharmaceutical advertising, using a patently violative, illegal, online ad to do it (see example on page 13). When she was questioned about the legality and potential risks for advertisers from the audience, her naivete spilled over when she replied "That's for individual companies to figure out. We're not in that business." Or words to that effect. (For more on this, see "Sales Effectiveness Meets eMarketing" in this issue.)

**Diversity Reigns**

Chairperson Jay Bolling, Managing Director of Rosko Direct did a bang-up job riding herd on speakers covering topics as diverse as online-marketing strategy, communication, and consumer perceptions. Speakers introduced all sorts of ideas by analogy and online resources, referring to such Web sites as MySpace, YouTube, LinkedIn, PerezHilton.com, Digg, CNet, Dr. Weil, Diet Blog, KevinMD, Technorati, Subimo, CloserLook, maxMD and HitWise (whadda you mean you never heard of them?)

Gary Lubin, formerly with Merck Medco and now at Merck Capital Ventures, provided some very practical advice when he commented: "First, you've got to get your internal systems under control, and many Pharma companies aren't there yet. Next," he said, "things should be integrated across all channels—both internally and externally. And finally, you need to measure everything, from which you can develop predictive tools."

**Talk to the FDA**

Preeti Pinto, head of promotional regulatory affairs at AstraZeneca, gave an outstanding overview of the regulatory limitations to online marketing that I'm afraid the aforementioned search-engine presenter missed. Commenting on the complexity of the issues and the likelihood of no FDA guidance on Internet use in the near future, Pinto asked: "Can you live with a least-common-denominator regulatory environment?" Her answer was that the industry has to keep talking to FDA to be sure that they understand the issues.

One questioner jumped on that topic immediately, citing the rapid—almost continuous—updating that takes place in online communications: "How can we—or FDA—keep up with mandatory reporting


*Continues…*

form submissions?" he asked. There was no good answer except: "Keep talking to them (FDA)."

## Stay On Top of Your Game

Preeti Pinto cited the follow bullet point advice when considering new technology communication issues:

- Think ahead but draw from past experience
- Overcome obstacles to seize opportunities
- Create standards before venturing into new initiatives
- Involve all stakeholders, collaborate, collaborate and collaborate
- Draw on diversity
- Think beyond "fair balance" (eg, improve safety with information technology and pay attention to safety and AE reporting)

She concluded her remarks by saying "whichever initiatives you choose to implement, there is always a way to reach your marketing goals, but:

- This may involve creative thinking
- Involve regulatory up front
- Involve legal up front
- Establish company standards

**Think Globally**

"There are no borders on the Web," said Dirk Haasner, head of regulatory affairs at Lundbeck, an international pharmaceutical company based in Denmark. "There are real problems that can occur as a result of 'label drift' if you're a global marketer," he warned. "Clear identification of the country an online program is intended for, limited hyperlinks, and periodic review of local, online labeling is a must to avoid regulatory problems. Learning to manage cross-cultural challenges is not easy," Haasner concluded, "but you can get the job done with proper organizational integration, respecting local customs, and not just parachuting in saying: 'Do this.' "

An international panel of presenters from Europe, Latin America, China and the US discussed innovative, online activities from their respective areas. New physician portals are emerging. One mentioned was www.praxeon.com, which processes natural language (eg, plain English) queries from doctors who receive immediate, evidence-based, responses. Other ideas from abroad included online video transmission (and storage for later access) of medical meetings held in central locations to CATV and desk-tops in the hinterlands of Latin America and patient "opt-in" compliance programs run by Pharma companies involving case managers at central call centers.

**eKOLs**

The changing applications of key opinion leader (KOL) "expertise" was commented on by Simon Roberts (Roche, Canada) who cited four "E" types of KOLs: eloquence-based, eminence-based, evidence-based and, now, electronic-based. "Using your resources to help KOLs do more of what they like to do should be a primary goal of pharma marketers," Roberts said. This includes not just improvement of medical knowledge, but practical, political understanding as well, since KOLs serve on various boards and public bodies.

Underscoring the sensitivity of such activities, however, Roberts cited a JFK speech in which Kennedy described the Chinese character for "crisis" as consisting of two brush strokes—one meaning "danger" and the other "opportunity." "Recognize the opportunity, here," Roberts concluded, "but beware of the danger."

The same theme later was echoed by John Mack, who commented that while "consumer engagement is the new add-on to frequency and reach for marketers, and online rich content enhances all communications, risk evaluation [of the information provided] is a key factor." questioneverything.com was an example that Mack used to highlight the issue. "Is this a real 'social networking' site," he asked, or one put up by a pharma company that couldn't (or didn't want to) start its own topic site? Audience members asked how to verify which sites are "legitimate" and which aren't. "Transparency is the answer," Mack said, "otherwise, there's no easy way right now."

**Social Networking: Sea-Change for Pharma**

Social networking through Social Media was a key topic for many presenters. Dot-com presenters gave example after example of how consumers are adapting to and adopting such online activities as "mash-ups"—combinations of disparate materials such as pop-music with personal videos to make personalized music-videos, or categories of businesses with online maps to show concentrations within a geographic area. Industries

*Continues…*

## Lunesta "bAdWords"

Lunesta recently ran a Google AdWord that many experts consider to be in violation of FDA regulations regarding DTC advertising. On the right is an example of such an ad that was captured from a Web site serving this and other Google AdWords on November 2, 2006.

**Lunesta Sleep**
Take the Lunesta 7-Night Challenge and experience a full night's sleep
www.lunesta.com

At that time, you could also do a Google search on "Sleep Medication" and find the following ad at the top of the page in the "Sponsored Ads" area:

> **Sleep Medication**
> www.lunesta.com Try our sleep aid free for 7 nights with the Lunesta 7-Night Challenge.

**Lunesta Adword is "bAdword"**
These ads mention both the brand name (Lunesta) and the indication or rather the benefit, which is sleep (as in "Lunesta Sleep Drug"). It also manages to tell you that you can get a full night's sleep with Lunesta.


What the ad doesn't tell you—and what the FDA requires all drug ads that mention the brand name and the indication or benefits to tell you—is the major side effects. Or at least provide a direct link to a brief summary of the product labeling as in the Rozerem ad shown on the left. In this ad all you need to do to get the required information is to roll your mouse over the appropriately labeled area.

The Lunesta "bAdword" should result in an FDA cease and desist letter (ie, "warning letter"). That, however, is not likely to happen because (1) the FDA is too busy or too short on manpower to notice and it is doubtful that they do a systematic review of the Internet to make sure DTC ads served on it are on the up and up; and (2) AdWords served by Google are fleeting; you can see them one minute and then lose them if you reload the page. The FDA can't say, go to www.pharmamarketingblog.com and you will see the violative Adword. It just may not show up!

Conversations with the FDA confirms that these kinds of violations on the Internet are a problem for regulators. It's difficult to keep up with the technology, for one thing. How many ways can ads be served up on the Internet that are virtually impossible to track?

The FDA also does not have any specific guidance for DTC advertising on the Internet and has always said that the same rules apply to the Internet as apply to print and TV.

It's about time for the FDA to stop sweeping Internet drug advertising issues under the rug and come up with some Internet-specific regulations or guidance. For example, is it OK to leave out fair balance in Google AdWords? Without such guidance, marketers can claim that it is hardly possible to include all that information in an AdWord, which limits you to 70 characters.

Source: Pharma Marketing Blog by John Mack

built on a top-down, management control, "push" model (which would include pharmaceuticals) were seen, however, as having a particularly difficult time with surrendering their marketing imperatives to such user-controlled, "pull" models. For pharmaceutical marketers and their intermediate professional customers, empowerment of ultimate consumers (i.e. patients) represents a potential sea-change in relationships that will require especially deft management.

Attendees gathered around a half-dozen "idea exchange" roundtables to share experiences on using new technologies to outreach to all audiences, minimizing costs and achieving optimal return on investment, as well as new methods of evaluating online activities.

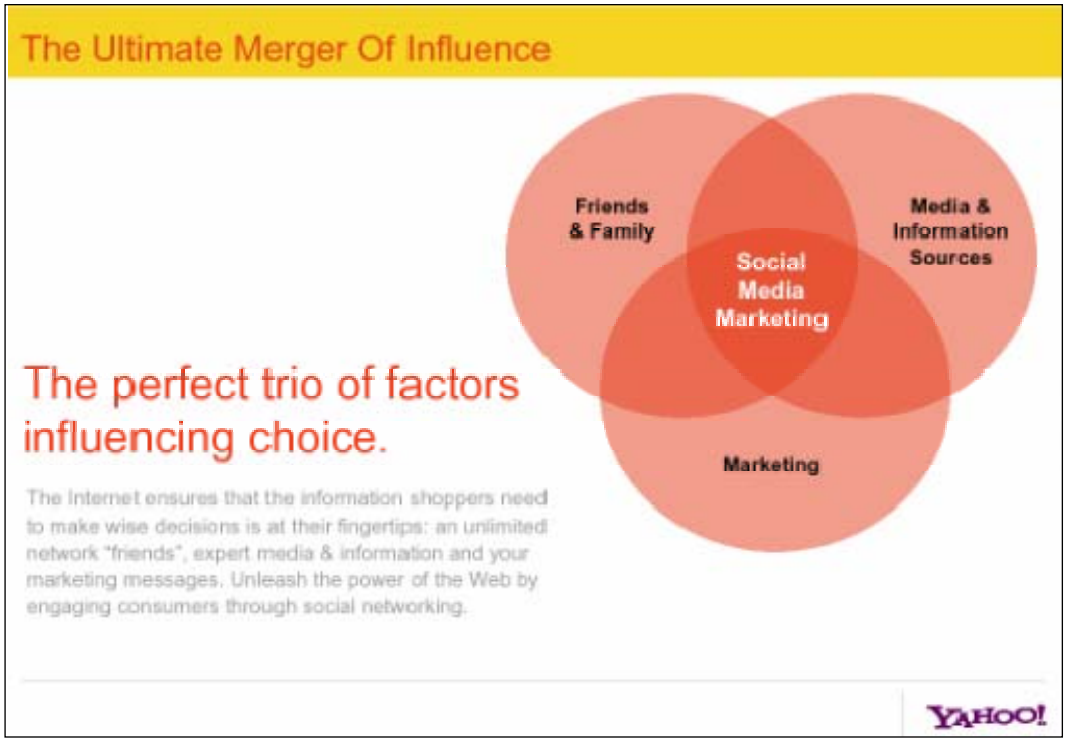
Organized Wisdom, a new, online health-focused, social networking platform also was introduced at the conference. Citing inspiration from The Wisdom of Crowds as a model for providing health information, co-founder Steven Krein, encouraged marketers to take advantage of the connectivity of the Web to promote consumers' health interests first. "Transparency and participation are required," he said, "because if you don't participate, you can't have any control over what's being said." And, online word-of-mouth communication has reached a point where individual testimonials add up to "wisdom." According to Krein, businesses have to stop "selling"—in the old fashioned sense of the word—and start educating, informing and sharing knowledge and experience.

The development of trust, the difficulty of attaining it, competition for the attention of patients from alternative medicine sources and generational differences were other topics that were addressed by conference presenters.

**Change in Image Urged**

Tanya Jones, MD, of Morehouse School of Medicine and New World Visions International, captured what she declared were the feelings of many of her patients and colleagues, when she said: "Make us believe you. Peel away the layers of distrust. Participate and educate us with integrity." Change the image from "greedy, bad guys, to helpful, good guys." Not a bad set of suggestions to leave a successful conference with.

**Pharma Marketing News**




**Social Media Marketing**. "The Internet ensures that the information shoppers need to make wise decisions is at their fingertips: an unlimited network of "friends", expert media & information and your marketing messages. Unleash the power of the Web by engaging consumers through social networking." Source: Yahoo!

## Conference Highlights

# Sales Effectiveness Meets eMarketing

*Two Co-located eyeforpharma Conferences*

By **Steve Woodruff** and **John Mack**

*I met Steve Woodruff at eyeforpharma's eCommunication and Online Marketing conference in Philadelphia and we decided to collaborate on this article summarizing the highlights of that conference as well as the co-located Sales Force Effectiveness conference held at the same time.* – John Mack

**Steve**: I spent two days at the recent eyeforpharma Sales Effectiveness conference in Philadelphia—actually, there were 2 co-located eyeforpharma conferences (the other was E-communication and On-line Marketing; see Harry Sweeney's summary: "Pharma's Plodding Approach to eMarketing"), and I was able to time-shift between them.

**John**: At first I didn't even realize that two conferences were going on simultaneously! Then I noticed that the exhibit hall was pretty well stacked with vendors, which is unusual these days for a purely "e" conference.

### International Flavor

**Steve**: Overall, it was a well-organized event. eyeforpharma is a UK-based organization, and there was certainly more of an "international" flavor among the attendees, speakers, and organizers. It is clear, however, that there are some very universal challenges facing pharmaceutical sales and marketing.

**John**: I also was impressed by the international mix of speakers and attendees. On the eCommunication and eMarketing side, I met pharma people from China, Peru, Germany, UK, and Mexico as well as the US. Of course, all were proponents of "e" for marketing and the two most discussed topics were social marketing on the consumer side and eDetailing on the physician side.

### Complex Regulations

**Steve**: One of the more striking presentations was given right out of the gate by Preeti Pinto, Sr. Director and Head of Promotional Regulatory Affairs at AstraZeneca. Pinto discussed how the many layers (and sources) of regulatory restriction impinge on selling practice. Federal regulations are troublesome enough, but one of the growing issues that will add complexity is the move among states to create their own specific regulations. This atmosphere may well make it very difficult to retain self-motivated, entrepreneurial sales professionals who yearn to just sell—in fact, one trend noted by an audience member when discussing retention issues was the growing number of field reps/managers simply leaving the industry altogether.

**John**: I am sorry that I missed Preeti's presentation. She's been working in this field for many years and knows a great deal about applying FDA regulations to the Internet as well (see the ePharma Marketing Special Supplement). Unfortunately, she wasn't at the conference on the second day when I really could have used her help in a debate I started around the proper use of drug tradenames in Google AdWords (see "Google AdWord Controversy" below).

### New Drug Development: Commercial Viability vs. Clinical Efficacy

**Steve**: An interesting statistic given out by Stewart Adkins, lead of Lehman Brothers' pharmaceutical sector, was that although the average number of drugs launched per year is roughly steady (about 44), the profit-value-per-drug is trending downward as the number of blockbusters decreases and the number of in-licensed drugs increases. Adkins also suggested that pricing and reimbursement issues (commercial viability) increasingly are trumping drug approval issues (clinical efficacy) when companies make decisions on pipeline candidates.

**John**: Does this mean that, in some cases, pharmaceutical companies may be choosing less efficacious drugs to develop if there is a prospect of high volume sales? I am thinking of new obesity medications coming to market like Acomplia. In trials, those taking Acomplia shed only between 5% and 10% of their body weight if they stayed on the drug for two years. Despite this very modest effect, sales of Acomplia are expected to be very good.

**Steve**: In the past, clinical efficacy seemed to be THE major issue driving a drug's journey into and through the pipeline—sometimes without much regard to commercial potential. While this seems more "pure" from a scientific standpoint, I think it was inevitable that commercial considerations

*Continues…*

would be pushed all the way back to the beginnings of the research process. Like it or not, we're in an era where development of "successful" drugs is going to be shaped by potential marketplace success.

**Access to Physician Prescribing Data**

**Steve**: I admit to a bit of disappointment that there was little active discussion about the impact of opt-out practices for physician-level prescribing data. The AMA's Prescription Data Restriction Program (PDRP) may make it more difficult to access granular information about the prescribing habits of specific doctors. It is clear that the US market is moving inexorably toward the more privacy-centric European model.

**John**: I covered this topic on Pharma Marketing Blog not too long ago where I discussed the New Hampshire law and suggested there should be a way for physicians to opt out of having their Rx data sold for marketing purposes. This may be a better solution than a blanket law—such as NH HB 1346—which prevents it outright (see "Whose Data Is It Anyway?"). The AMA program seems to fit the bill.

*"This [NH bill] is incredibly stupid and perhaps unconstitutional legislation, but an ominous augur. If the trend proliferates to larger states, we may be back to the future, when the industry had to rely on survey data…"* – Anonymous commenter to Pharma marketing Blog

**Not Your Father's eDetailing**

**John**: Mark Bard of Manhattan Research moderated a panel discussion entitled "Using the Internet to Support and Evolve Sales." Panel members included Craig DeLarge, Associate Director of eMarketing at Novo Nordisk, and Clay Butterworth, eMarketing Manager at Shire.

Bard, as usual, opened with some numbers regarding physician use of the Internet and adoption of eDetailing. He summed up the current eDetailing situation succinctly by stating "Half our clients think eDetailing will be dead in 2 years, the other half says it will take off." He pointed out that for eDetailing to take off it has got to change and get more in sync with what physicians who use the Internet want, which is something Bard knows a lot about (see, for example, the report that Manhattan Research was handing out at its booth: "Trends Impacting Consumer and Physician eMarketing").

Bard presented some data showing that the percentage of physicians using eDetail programs in the past year has leveled off at around 40%—no longer growing, in other words. However, only 20% of docs say they have absolutely no use for eDetailing. That leaves 20% who might have use for it if it offered them what they want. Unfortunately, a lot of them want money or cash equivalents. Although pharmaceutical companies have gotten away from a "pay for view" regime, which is frowned upon by the watchdogs, some have worked around this issue by paying physicians to take a short survey after the eDetail. Some doctors have their children press the forward button to get through the eDetail so that they can get to the money at the end.

**Top 5 Characteristics of the Ideal Electronic Detail As Ranked by U.S. Physicians**

1. Short (less than 5 minutes)
2. Available 24/7
3. Contains fresh information (not redundant with information from
1. detail rep)
4. Interactive or self-guided learning
5. Has an incentive attached

Source: Electronic Detailing: Trends in Adoption and Use of Web-based Applications (manhattanRESEARCH)

The core problem with eDetailing remains: it's still a sales activity rather than an information sharing or communication activity that physicians prefer. Whereas, a savvy physician can manipulate a live rep to just deliver the goods—essential prescribing information and samples—manipulating computerized eDetails is not so easy and you don't get the samples at the end!

DeLarge agreed—and I am paraphrasing him here—that eDetails are too sales focused vs. customer insight focused. There is an opportunity, DeLarge said, through the eChannel, to get a better idea what physicians want vs. being another sales channel. "Companies that do this well will have a tremendous competitive advantage in the next 2-5 years," he said.

A new vendor in the space asked what pharmaceutical companies wanted from eDetail vendors. What the best vendors offered were eyeballs (access to physicians) and analytics. Pharma companies actually want to own the physicians and are not content to "rent" lists from vendors. Some vendors have pushed back and refused to deal. That may be the Achilles heal of eDetailing.

*Continues…*

**Steve**: With eDetailing, as wilth all other promotional and educational efforts, I think it is crucial to evaluate any strategy in light of the main point of this industry: the appropriate patient(s) using the optimal medicine(s) properly. Is eDetailing—or live detailing for that matter—the best way to reach this goal? The best thing we can do is look at legacy methods and practices with a critical eye as new channels become available.

**Web 2.0**

**Steve**: On the marketing side, I was quite pleased to see how much active wrestling was occurring with the need to find a way to participate in the "Web 2.0" movement of user-generated media, community discussion, etc.

The major Web trends, moving away from centralized and controlled information flow toward a more personalized and user-centric model, seem to be in conflict with the highly regulated/controlled approach that must be followed in pharmaceutical marketing (and sales training). Putting some toes in the water will require risk and courage and wisdom—not doing so will mean simply being left out as a participant in the discussion. These will be tricky waters to navigate, as evidenced by the lively exchanges that occurred in these sessions. Representatives from such companies and Yahoo and Google gave their perspectives as presenters.

**John**: Social networking (aka, Web 2.0) was a common thread throughout the eMarketing conference and many speakers, including the presenter from Google, were extolling the virtues of this new phenom and encouraging pharma marketers to get involved or be left in the dustbin of Internet marketing. Consumer Opinion Leaders (COLs), product wikis, Computer-Assisted Persuasion (Captology) were some of the concepts that were discussed in some detail.

I agree with Steve that social networking is a great opportunity for marketers, but it will require astute navigation through the legal, regulatory, and ethical hurdles involved. It's not something that pharmaceutical marketers should leave up to their agencies to handle without close adult supervision.

What pharmaceutical companies are being encouraged to do is to insert themselves—actually their brands—into the conversation because conversations about their products are going on all the time. As the saying goes, when you are invited to a party and you don't show up, people talk about you.

I have blogged about several faux pas's committed by agencies in the employ of pharma companies attempting to insert themselves into the conversation (see "Influencing the Dialogue: Marketers Suck at It!" and "Question Everything"). Indeed, I covered this at the conference in my own presentation entitled "Clear Words, Obscure Benefits," which you can download.

**Consumer Opinion Leaders**

**John**: Jack Barrette, pharmaceutical category leader at Yahoo!, claims he coined the term Consumer Opinion Leaders (COLs) to describe ordinary people who influence what many other consumers believe and buy. He cited examples from Yahoo! Answers, which is a social network where people ask questions and Yahoo! experts—who can be any qualified person—provide answers.

COLs earn their status by getting good "grades" from the people that requested help. If you have ever ordered a book on Amazon.com, you may have seen reviews of books written by other readers. Amazon allows visitors to vote on how helpful reviews were to them. You can look up all the reviews that a person has written and see how they scored. This gives you an idea of how helpful this person is likely to be in future reviews.

**When COLs Speak, Others Listen.**

Other pundits have spoken about these kinds of people. For example, Malcom Gladwell—author of the book "The Tipping Point"—calls these people "Mavens." "There is something about the personal, disinterested, expert opinion of a Maven that makes us sit up and listen," says Gladwell.

Just how pharmaceutical marketers can take advantage of COLs in the health arena remains to be seen. It could be similar to how they work with celebrities who are paid to appear in commercials or on talk shows. COLs might be paid to do podcasts, for example.

**Steve**: Obviously, there are landmines everywhere when talking about pharma companies directly engaging in this type of networking. The thought occurred to me, however, that if industry-leading companies wanted to try to get solid medical content into the on-line conversation, and reap some PR points in the process, they could collaboratively sponsor groups of medical professionals who would engage the consumer community with medically responsible perspectives (from a central site and on networking sites). As with CME, this type of format would be sponsored with "hands-off" support dollars to maintain independence. It would be a very helpful community service without commercial taint,

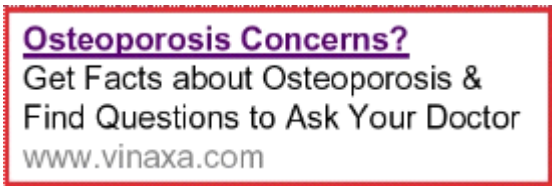
*Continues…*

though sponsoring companies would, of course, have their logos on a central site.

**Google AdWord Controversy**
**John**: A Google healthcare operations specialist gave a presentation entitled "The Importance of Interactivity: How multimedia technologies will change the way you Connect with Consumers & Physicians."

A bit of a controversy arose when I questioned the example of an AdWord Google used. The example was an Adword similar to the Lunesta AdWord I talked about on Pharma Marketing Blog (see article in this issue, "Pharma's Plodding Approach to eMarketing").

Just like that Lunesta AdWord, the AdWord in the Google example included both the trade name of the drug (in the URL) and its indication:




Example a fictitious AdWord Google used in its presentation. It mentions both the drug tradename and indication but provides no direct link to the package insert or brief summary.

My opinion—as well as about 75% of respondents to a Pharma Marketing Blog poll on this issue—is that these kinds of AdWords violate FDA regulations regarding DTC advertising; namely that when brand name and indication are both mentioned in an ad, the package insert or brief summary must also be available. At the conference, I pointed this out and asked the audience what they thought. One person from a pharmaceutical company, perhaps playing the devil's advocate, contended that the ad may pass muster with the FDA because the package insert or brief summary is "one or two clicks away." His argument was that without specific guidance from the FDA, no one knows what is correct in this case.

**The One Click Rule**
**John**: FDA says it's OK on an Rx product Web site to merely provide a link to the package insert or brief summary. In that case there is no need to provide that information on the same page that mentions the drug name and its indication.

Thus, an AdWord could be said to comply with the "one click rule" only if there was a direct link to the package insert (PI) or brief summary within the AdWord. In the example that Google used, there was only a link to www.vinaxa.com—the product Web site, not the PI. Presumably, the user would have to find the link to PI once on the "Vinaxa" Web site. I don't think two clicks would pass muster with the FDA.

**The Ideal Pharma Sales Conference**
**Steve**: The co-located conferences got me thinking about the "ideal" pharma sales conference. These 2 topic areas (Sales Effectiveness; E-marketing) are quite separate and so there was limited "flow" between the two, and it also led to a vendor area of unrelated companies that serviced very distinct groups. Nonetheless, I think very highly of the idea of co-locating conferences, or, perhaps more precisely, creating broader conferences that have related tracks. Here would be my ideal pharma sales conference, consisting of tracks and vendors focused on the following themes/target needs:

- Sales Training
- Sales Effectiveness
- Promotional/Sales Compliance
- Global Sales

Such a conference could lead to great cross-pollenization among related disciplines, and have a more cohesive set of attendees, speakers, and vendors. Keynote addresses could span multiple areas (e.g., The Use of Technology to Equip Global Sales Forces; Certification of Sales Professionals; The Impact of Corporate Consent Decrees on Sales Practices, etc.), while specific "tracks" could dig deeply enough into the major themes that all attendees would be able to enjoy a full conference of sessions that interest them (including cross-over into other tracks).

While each of these areas of focus could be (or has been) its own conference, often those events are lightly attended - a better critical mass would be reached by having a larger conference with inter-related themes.

**Pharma Marketing News**


Listen to Mark Bard' and Fard Johnmar' comments on eDetailing trends and COLs made during a Pharma Marketing Talk podcast live from the conference: http://www.pharma-mkting.com/talk/show002.htm

## Interview

# Teaching New Dogs Old Tricks

*An Interview with Professor Jim Avery of the Gaylord College of Mass Communications*

By **John Mack**

Students at the University of Oklahoma's Gaylord College of Mass Communication recently completed a graduate seminar called "Medical Promotion." It is one of several new seminars aimed at helping to prepare graduate students for professional careers.

Professor Jim Avery designed the course to help students learn how to study a category. This category study provides them the opportunity to be more competitive for a career in DTC advertising or other medical related careers. Careers could be with pharmaceuticals, OTC, or advertising agencies.

Medical promotion was chosen as the subject for this seminar because many advertising graduates are starting their careers in the healthcare industry. The category is growing rapidly and is now one of the largest advertising categories. With that growth brings career opportunities for new graduates.

**Health Advertising is a Lucrative Option for Students**

**Mack**: Welcome to the show! Tell me a little more how you work with students in your program.

**Avery**: We do a variety of things at the undergraduate and graduate level. At the graduate level, we have students do a little more research.

**Mack**: I suppose a lot of your students are interested in health advertising because it is a rapidly growing field.

**Avery**: That's true. We don't know exactly how many new jobs there are, but on an anecdotal basis, I get a lot of communication from students starting out in direct-to-consumer and other health advertising fields. AdAge reports that across the board advertising spending was up last year by about 7.5%. Major pharmaceutical companies increased ad spending even more. Ad spending by Novartis, for example, is up by about 34%. With these big spending increases there is more work which translates into more jobs.

**Mack**: What advertising agencies seem to be hiring the most these days? How does your school help students find these jobs?

**Avery**: I think virtually all advertising agencies are hiring these days. Oklahoma is not exactly the center of advertising and of creativity. But we have some very capable young people. So, we try to get them to see the advertising agencies in some of large markets. We take students to New York, Chicago, Dallas, and even some European and Asian locations. It gives them an opportunity to see how the work is done in other locations.

A few years ago I took a group to Los Angeles to visit Ogilvy and Mather. When it came time for questions, one of the students asked how to decide which agency to work for. The Ogilvy representative said that was easy, "you work for the agency that offers you a job." That continues to be true. It is rare when a student gets more than one job offer.

**Mack**: Are they drawn to the field because of or despite its inherent challenges or is just for the money? What motivates students these days?

*Continues…*

| Company | 2005 Ad Spend ($ millions) | Increase over 2004 |
|---|---|---|
| Pfizer | $2957 | 10.3% |
| Johnson & Johnson | $2176 | 10.9% |
| GlaxoSmithKline | $1828 | 17.0% |
| Novartis | $1285 | 34.2% |
| Merck | $1250 | 11.2% |

Advertising Age reports that 13 of the Top 100 consumer advertisers in 2005 were pharmaceutical companies.

**Avery**: In one class I asked students how many of them expected to change the world. Practically all of them raised their hands. That's good news as far as I am concerned, but no doubt they are interested in money also. I have also noticed that graduates are moving from job to job more these days.

**Medical Promotion Seminar**

**Mack**: Please tell me about your Medical promotion Seminar. You've told me that it was one of several new seminars aimed at helping to prepare students for professional careers. How does your seminar fit into that program?

**Avery**: We adapted our Masters degree program to offer a non-thesis option for those students who wanted more preparation for a professional career in medical advertising. These students were required to attend three, one-credit hour intense seminars designed to provide them with some practical experience, to learn the way professionals learn. The Medical Promotion Seminar, which I proposed, was one of the first to be offered precisely because of the perceived career opportunities.

The class was a thirteen hour seminar where the students learned by doing. They first searched the literature on-line. A bibliography of over 220 articles from the popular and business press as well as scholarly journals were reviewed. In the second step, students conducted one-on-one in-depth interviews with both consumers and medical professionals. Next, two focus groups were conducted. One was among consumers who regularly take prescription drugs and the other was with medical professionals who have patient contact.

**Mack**: The focus groups sound interesting. I'm dying to know the results from those! But before you tell us the results, why did you have them do focus groups? What kind of questions did students ask?

**Avery**: The focus groups provided two segments of learning. First, they study qualitative research in their course work, but often they don't really get a chance to actually see how focus groups work and what kinds of things they can learn from them. So the focus groups allowed the students to learn about focus groups and it helped them to learn about what consumers and professionals think.

Generally, we wanted students to get an idea of the issues of health and pharmaceutical marketing. They asked simple questions like "What do you think of pharmaceutical advertising?" We followed up by inviting focus groups members to the class. One professional focus group included two physician assistants and two nurses. We also interviewed consumers who take prescription drugs every day.

**What Students Learned**

**Mack**: So what were the results?

**Avery**: In a nutshell, here is what was learned that may or may not be obvious to regular readers of Pharma Marketing News:

1. Consumers like DTC pharmaceutical advertising. They watch the advertising to see if the brand applies to them. They like the idea of knowing a bit of the healthcare story, and sometimes ask a doctor if the drug is something that would be good for them.
2. Nurses and physicians assistants also like DTC pharmaceutical advertising. Primarily they like it because it empowers the patient to know more and better participate in the decision process.
3. After seeing an advertisement for a prescription drug, the most common way consumers research a brand or product is to go on-line. Participants said they search the news surrounding the drug, look for articles and studies on the medication, and try to find unbiased opinions. Very few go to the product website itself.
4. Some patients see a change in the doctor-patient relationship when they discuss DTC pharmaceutical advertising. In some cases the relationship is better because the patient is now informed about possible solutions. However, sometimes the doctor seems to feel his/her authority has been challenged.

*Continues…*

5. Generally, the small group of consumer participants in the study are concerned about the truthfulness of the information in DTC pharmaceutical advertising.
6. Consumers and patients are concerned about side-effects. This is especially true for Rx drugs advertised on television. Often in magazine ads the side-effect cautionary statements can take an extra page of advertising. None of those interviewed for this seminar read the cautionary statements, but had concern about whether the side-effects or the original ailment was worse.
7. Trust is important in the marketing of prescription drugs. Patients must trust their doctor, the pharmaceutical company, and their pharmacist. Of the three, the pharmacist has the highest level of trust. Almost all the participants could cite a situation when the pharmacist had saved them from a drug that would have been harmful to them. They trust the pharmaceutical companies the least. They trust the quality of the drugs, they just don't trust the intentions of the company. The importance of trust to consumers was a major takeaway for the students and we discussed this at length in the seminar.
8. Drugs are expensive. All the respondents buy drugs either by mail or from out-of-the-country. They state that the insurance companies are hard to deal with and are not reliable.
9. In the medical professional focus group, marketing techniques were discussed. These group participants thought that prescription drug advertising was unclear to many consumer patients. For example, a female patient asked if Viagra would be right for her.

**Mack**: You wouldn't characterize this as a scientific study, would you? I mean, no small focus group is.

**Avery**: Qualitative research is an acceptable form of gathering information. Focus groups are a common way to gather information qualitatively. I don't feel very confident of these findings because it was only one small group. If we had done a few groups and we got the same answers, I would feel more confident, but at this point I would say the information is interesting, but not applicable to the larger universe of consumers or healthcare professionals.

**Role of Internet**

**Mack**: Considering that the pharmaceutical industry lags others in the use of the Internet for marketing, I was wondering how your students feel about the Internet and its role in health advertising.

**Avery**: Well, we know that our students use the Internet extensively in their studies. In fact, we are entering an era where students don't know how to use a library. Obviously, they will continue to use the Internet in their professional careers, but whether or not that affects the pharmaceutical marketing mix remains to be seen.

**Mack**: How does this help your students prepare for a career in this field?

**Avery**: We'll have to wait and see, but at least one student of mine was able to show what she did in the class to a hospital interested in hiring her. She felt she had an advantage over other recent graduates because of this real world experience.

**Conclusion**

The Medical Promotion seminar provided new and thought provoking information for the students at the University of Oklahoma's Gaylord College of Mass Communication. They learned the value of insight into consumers and medical professional attitudes. They became familiar with the extensive literature. Importantly, the course gave the students a leg up on their competition for jobs in the field of Direct-to-Consumer pharmaceutical advertising, something many of them are considering. Clearly there is more to learn, but this is a start.

**Pharma Marketing News**


Listen to the entire interview of professor Avery:
http://www.pharma-mkting.com/talk/show001.htm

## Authors, Experts Consulted and/or Cited In Articles

The following experts were mentioned or consulted in the preparation of articles for this issue.

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