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International Series in Quantitative Marketing

Min Ding
Jehoshua Eliashberg
Stefan Stremersch *Editors*

Innovation and Marketing in the Pharmaceutical Industry

Emerging Practices, Research, and Policies

Springer

Damascus University

Company Orientations Towards the Marketplace

Production Concept	**Consumers prefer products that are widely available and inexpensive**
Product Concept	**Consumers favor products that offer the most quality, performance, or innovative features**
Selling Concept	**Consumers will buy products only if the company aggressively promotes/sells these products**
Marketing Concept	**Focuses on needs/ wants of target markets & delivering value better than competitors**

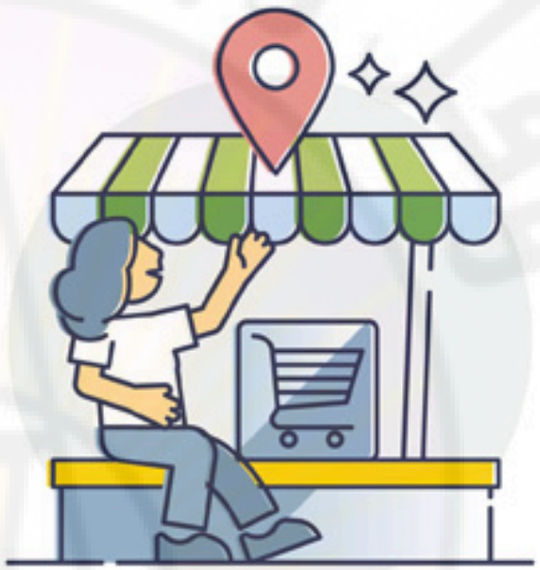
MARKETING MIX



PRODUCT



PRICE



PLACE



PROMOTION



PEOPLE



PHYSICAL ENVIRONMENT



PROCESS


© Limebridge
CUSTOMER SERVICE
GOOGLE IT
KUOELKA.
WHILE THE NEW SELF-HELP STRATEGY SAVED MONEY, IT LACKED THE PERSONAL TOUCH.

Steps to followed in a marketing plan

First: Determine **the nature of product** or Service you want to sell

Second: It's **design, quality, features** and packaging

Third: Determine its place, distribution, **channels for best availability** coverage, transport direct or indirect.

Forth: Determine **price** profitable for the company or attractive to customers' discounts, payment period, credit

Fifth: **Promotion**: planning where or how to advertise, advertising, sales, public relation.

Innovation and marketing in pharmaceutical industry



Innovation

Innovation in the pharmaceutical industry has three characteristics:

Live or die:

refers to the fact that a firm **cannot** possibly **survive** if its innovation level **decreases** substantially and it can no longer generate new drugs with sufficiently profitable patent protection.

Large in size:

means each innovation (new drug) tends to generate a **large amount of revenue** for a firm

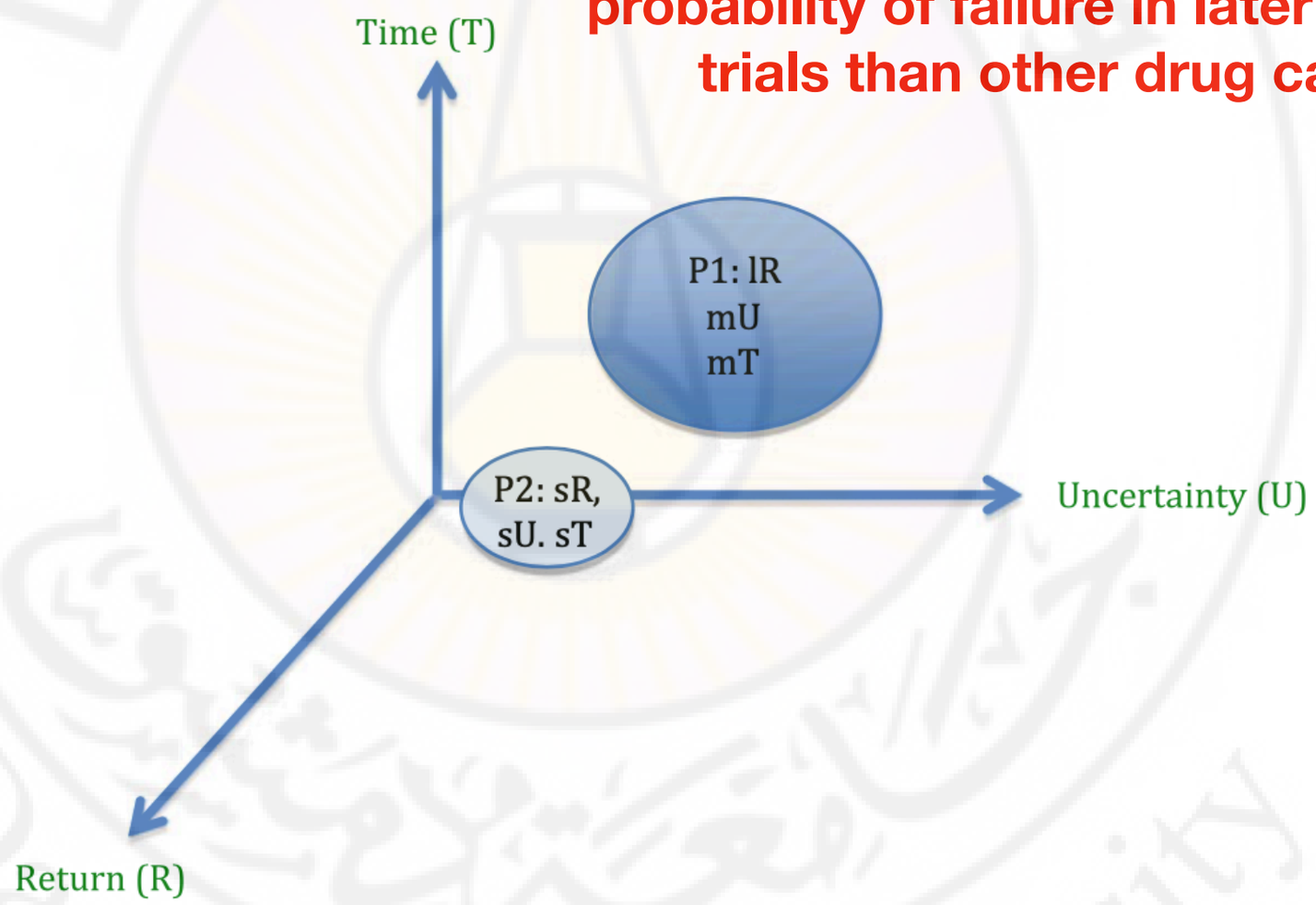
Finite lifespan:

The manufacture of chemical drugs is **standardised** and, in general, once the patent expires, they can be easily reproduced as generics by many competitors.

The situation of biological drugs is much **more complex** in most cases because they are often **harder to manufacture** and have higher manufacturing variable costs as well, as compared to chemical drugs.

Innovation strategy

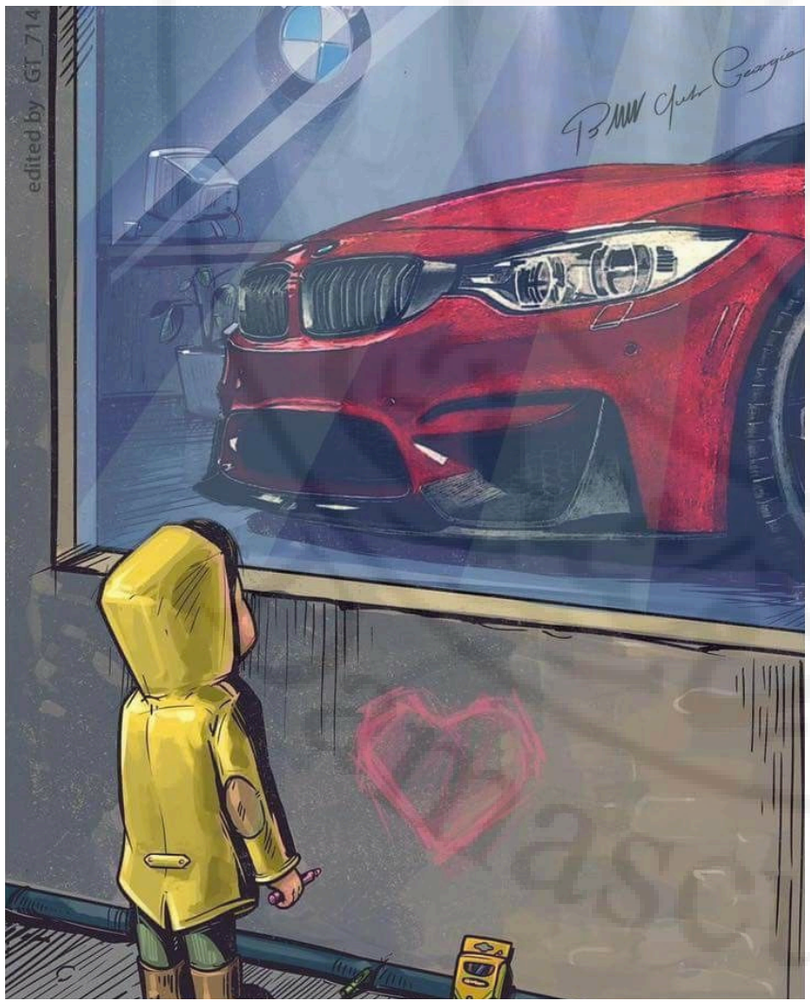
(CNS) drug candidates have a higher probability of failure in later stage clinical trials than other drug candidates



Four key dimensions of innovation strategy. s small or short, m medium, l large or long. The size of the oval denotes the magnitude of the cost. P1 and P2 refer to Project 1 and Project 2

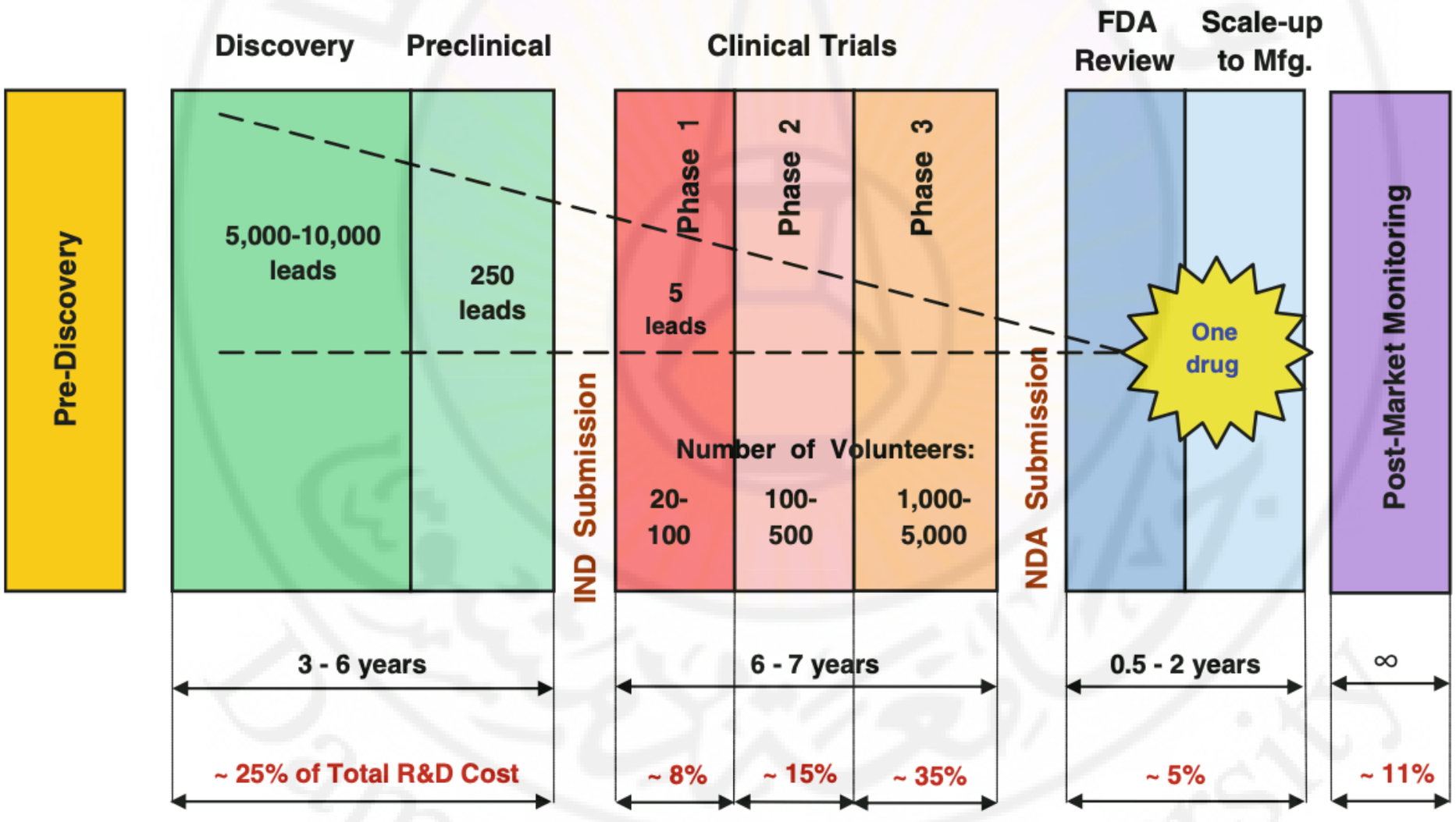
Marking

Society sees pharmaceutical drugs as having "**double personalities**": as a conventional product that addresses certain **consumer needs**, and as something to which **human beings have a fundamental right**.



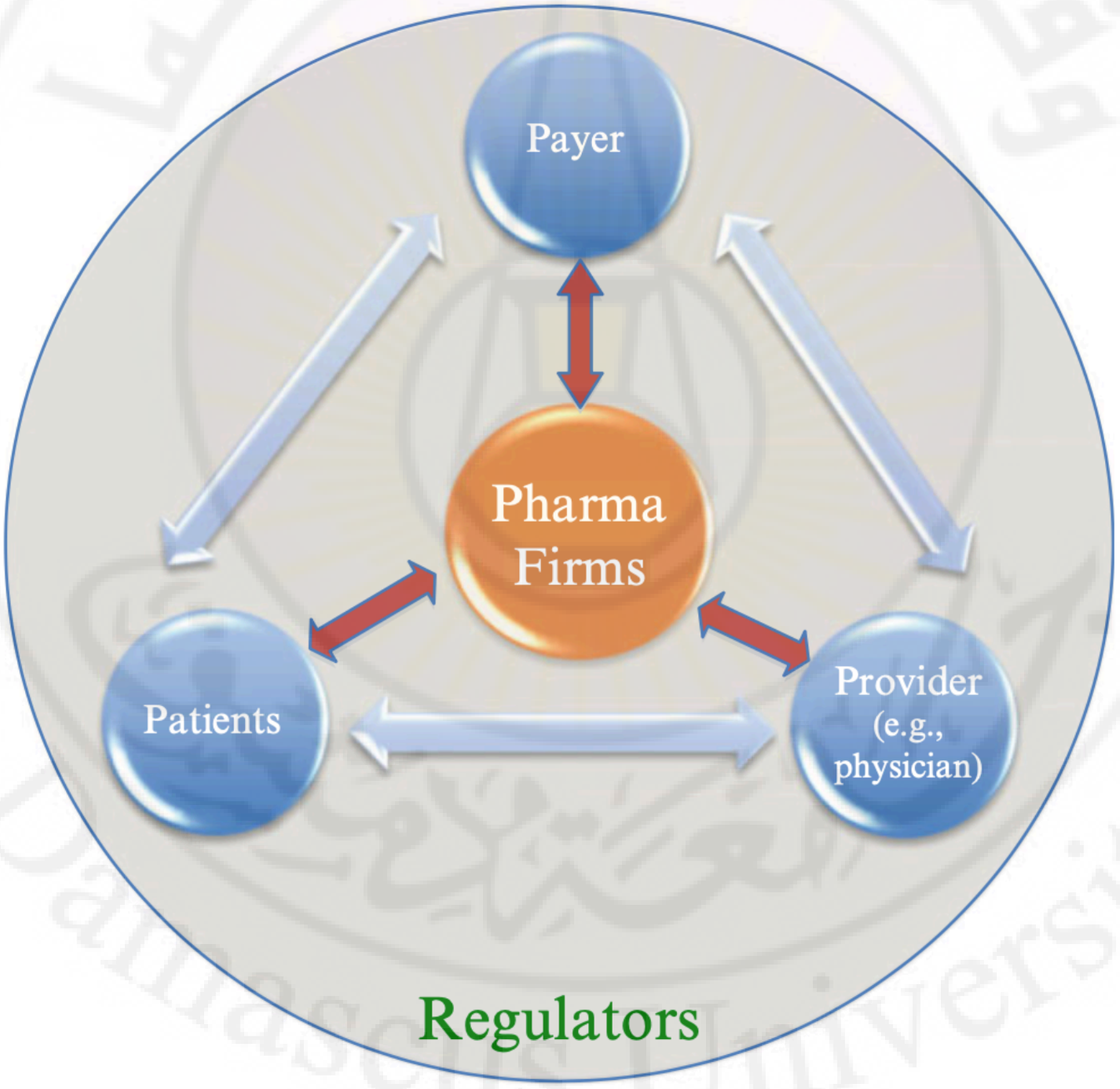


The research and development process for new drugs

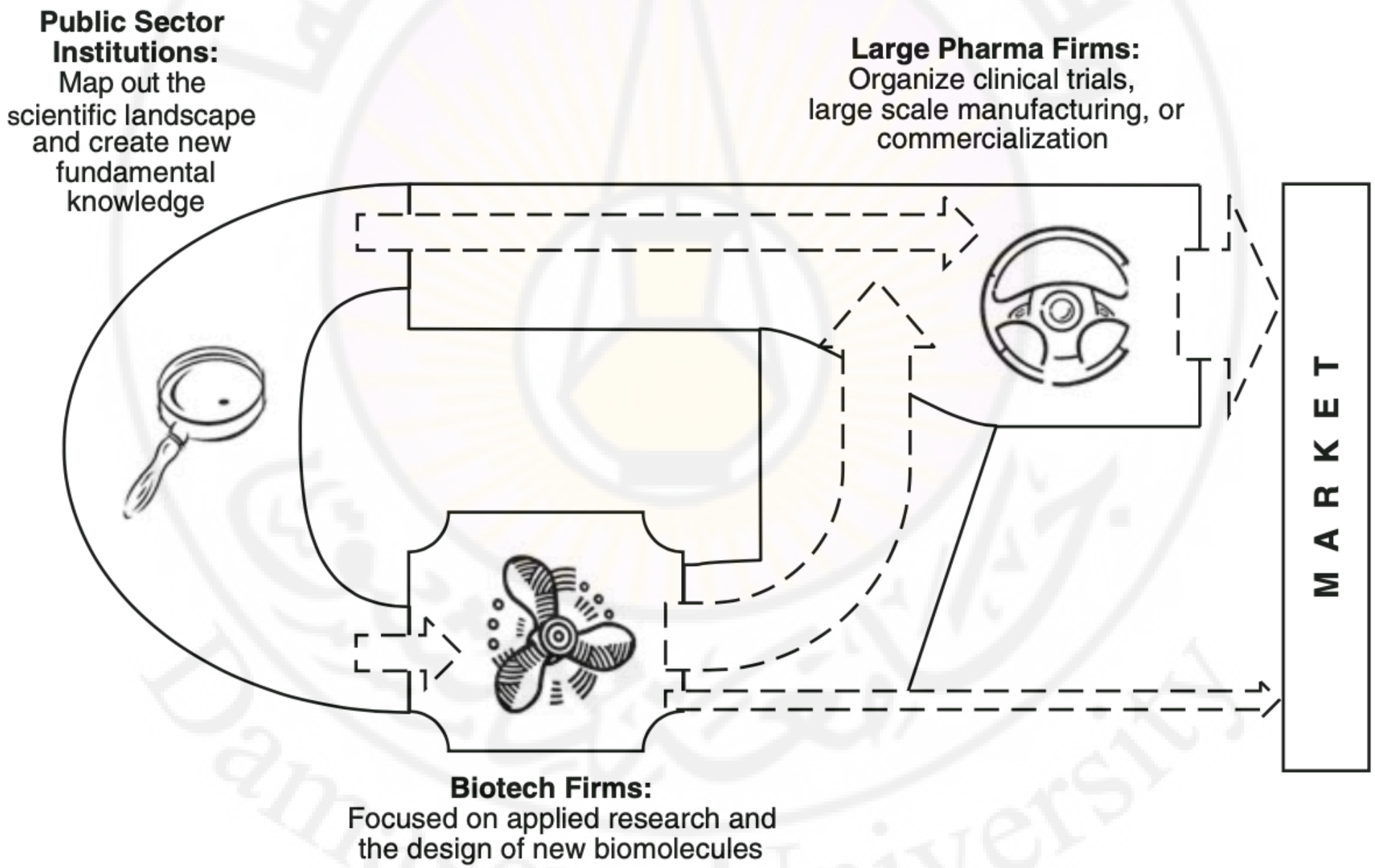


{Estimated Probabilities for Successful Completion of Each Phase of Clinical Trials for Pharma and Biotech Firms. The biotech firm probabilities are in *italics*.}

Players and relationships in the pharmaceutical market



Long-term market presence and cumulative experience



Long-term market presence and cumulative experience

Long-term market presence and cumulative experience in a therapeutic category can bring about **strong learning** and **reputation effects.**

Researchers have found that firms focusing on drug discoveries in therapeutic categories in which they already have expertise

Merck with **cardiovascular and cholesterol** problems
Eli Lilly with **psychiatric disorders**
GlaxoSmithKline with **infectious** diseases

First or Late Movers' Advantage?

Being the first of its kind, the pioneer drug is faced with the task of creating awareness for the **entire therapeutic class**. In contrast, follow-on brands enter an established market. They face a different hurdle: **to build brand awareness and differentiate themselves**, which might not be too difficult if their superiority is apparent.



Follow-on drugs, typically offering an improvement over the pioneer drug, know the disadvantage of new drugs and enjoy an advantage over both the **pioneer and the me-too brands.** Presumably, follow-on drugs offer sufficient extra value— i.e., they are either superior in **quality** (offer greater regimen convenience, higher efficacy, or reduced side effects), or can sustain a **lower price point**. These distinctions let them expand the market further, while riding on the coattails of the pioneer brand's awareness.

Trends in Pharmaceutical Innovation

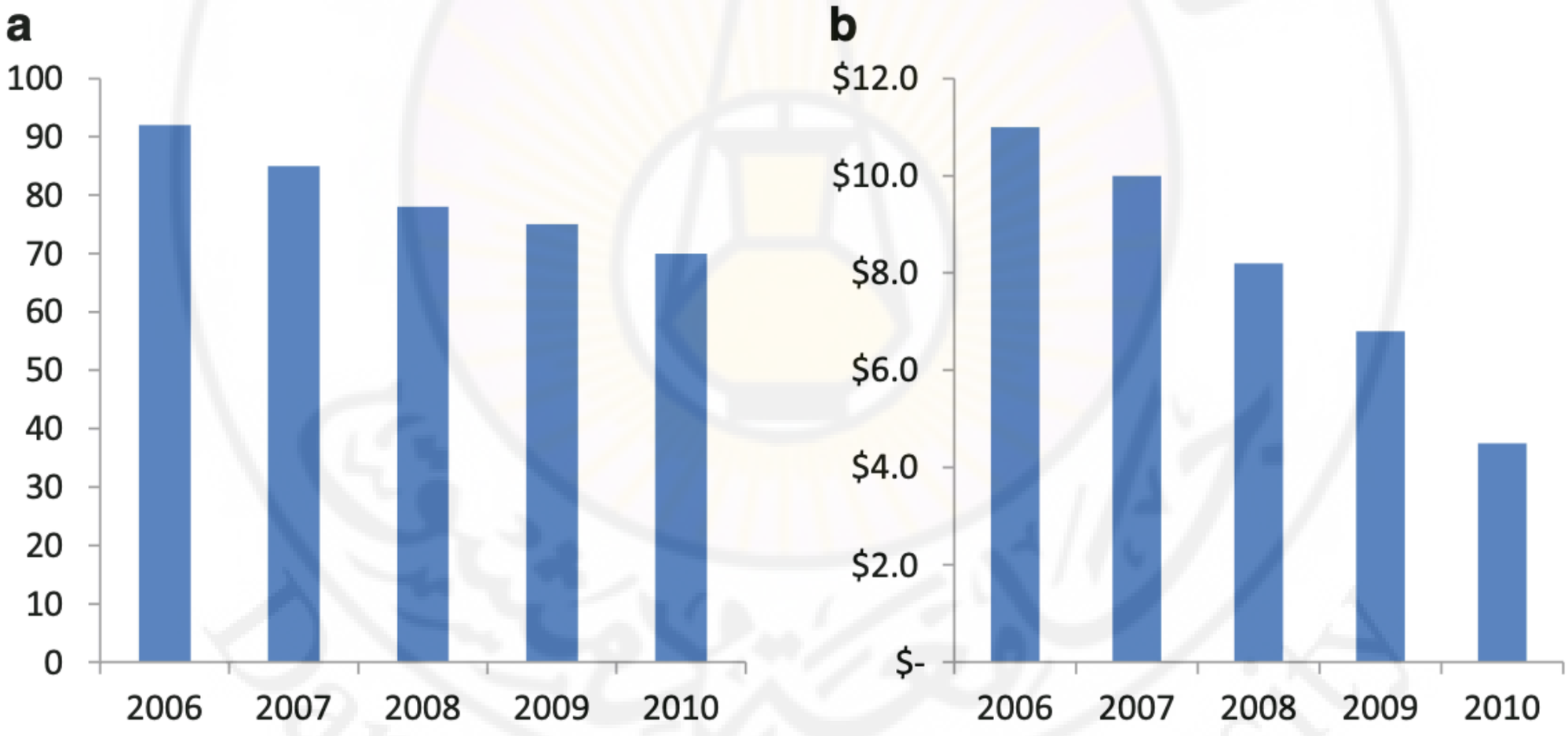


Fig. 2.4 (**a**) Number of new branded drugs in the USA (**b**) Sales of new branded drugs in the USA, in billion dollars (*Source*: IMS Institute for Healthcare Informatics)

The Foray of Biotech Firms

(a) Strong **intellectual property protection**
(b) **Favourable financial climate** with robust and vigorous venture capital industry
(c) Regulatory climate **that is not restrictive** of genetic experimentation
(d) Strong scientific and medical establishment with developed infrastructure and access to the **latest technologies** to supplement the limited resources of fledging small firms
(e) The existence of strong and facilitating academic and cultural norms that permit the **rapid translation of academic results from the originating institutions** (often in the public domain) to the private sector, with commercial purposes.

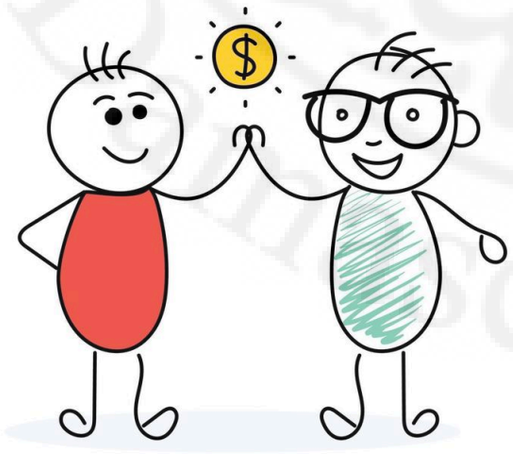


Modes of Collaboration for Innovation in the Pharmaceutical Industry

There is evidence that drugs developed in a partnership are significantly more likely to **succeed in Phase 2 and 3 of clinical trials**.

It was found that inter-firm cooperation in **Phase 3** of clinical trials produces a **15 % greater** probability of approval compared to independent efforts.

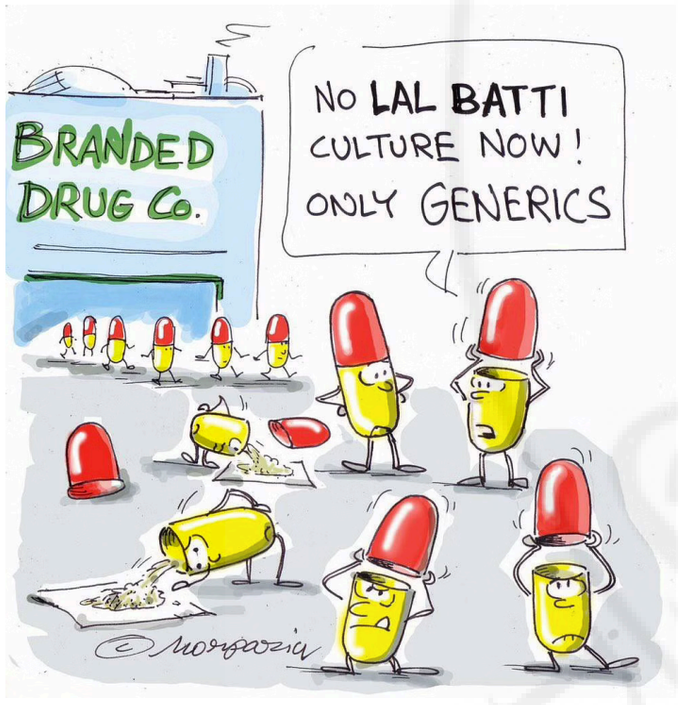
Large pharmaceutical firms are in a position to enjoy the **vast awareness**, **credibility**, and the **brand equity** that small firms find lacking. Owing to their sizeable budgets and greater scale of operations, large firms are poised to have **easier** access to capital.





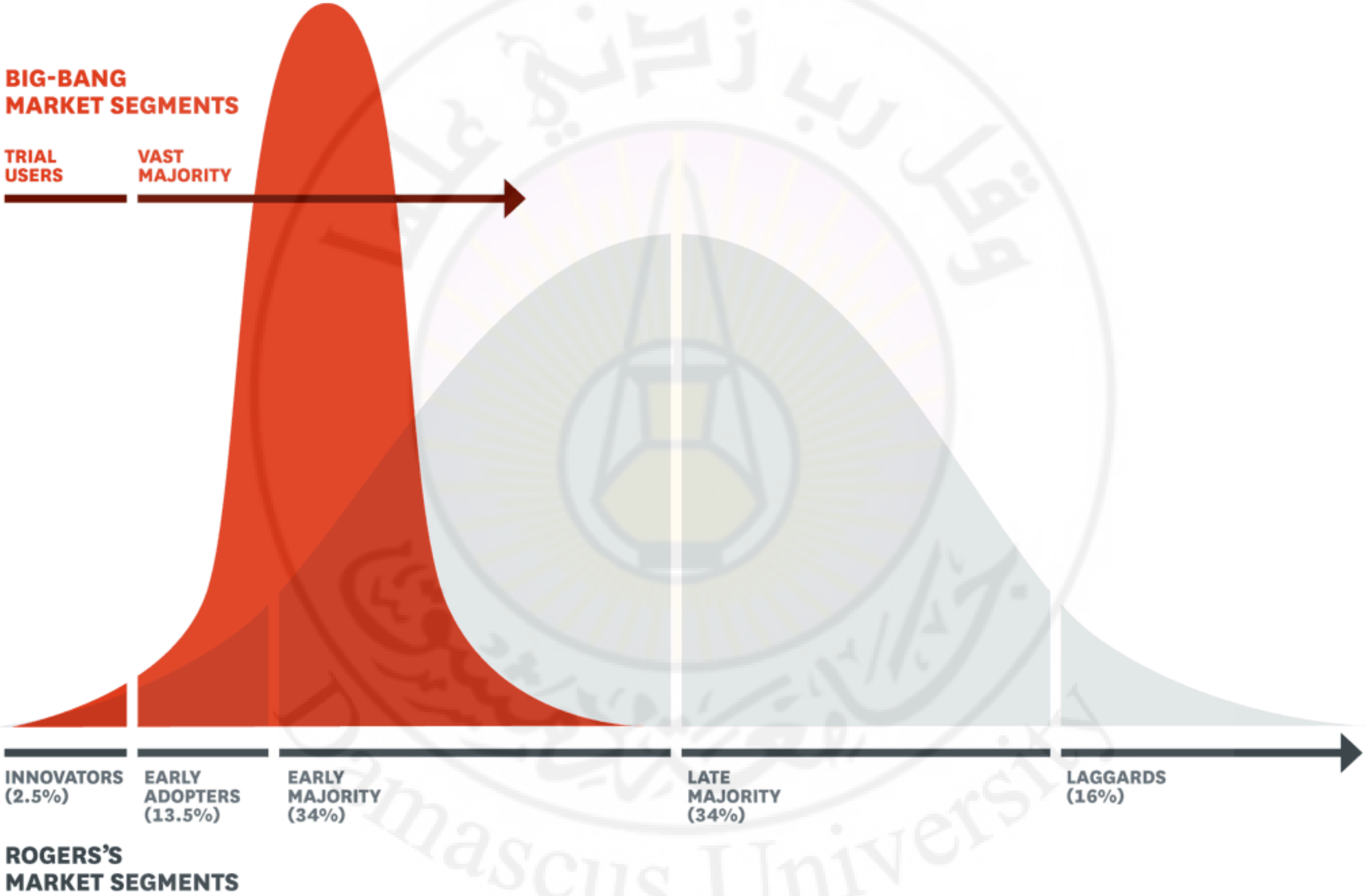
The Ground Rules of Pharmaceutical Competition

يتمثل التحدي المركزي المزمن لشركات الأدوية الكبرى في الخسارة المفاجئة للإيرادات التي تتزامن مع انتهاء صلاحية براءة الاختراع على منتج بمليارات الدولارات. تأخذ منحنيات المبيعات لمثل هذه المنتجات طابع "**زعنفة القرش**" إذ تترافق براءة الاختراع مع نمو كبير في الإيرادات يتبعه انخفاض سريع

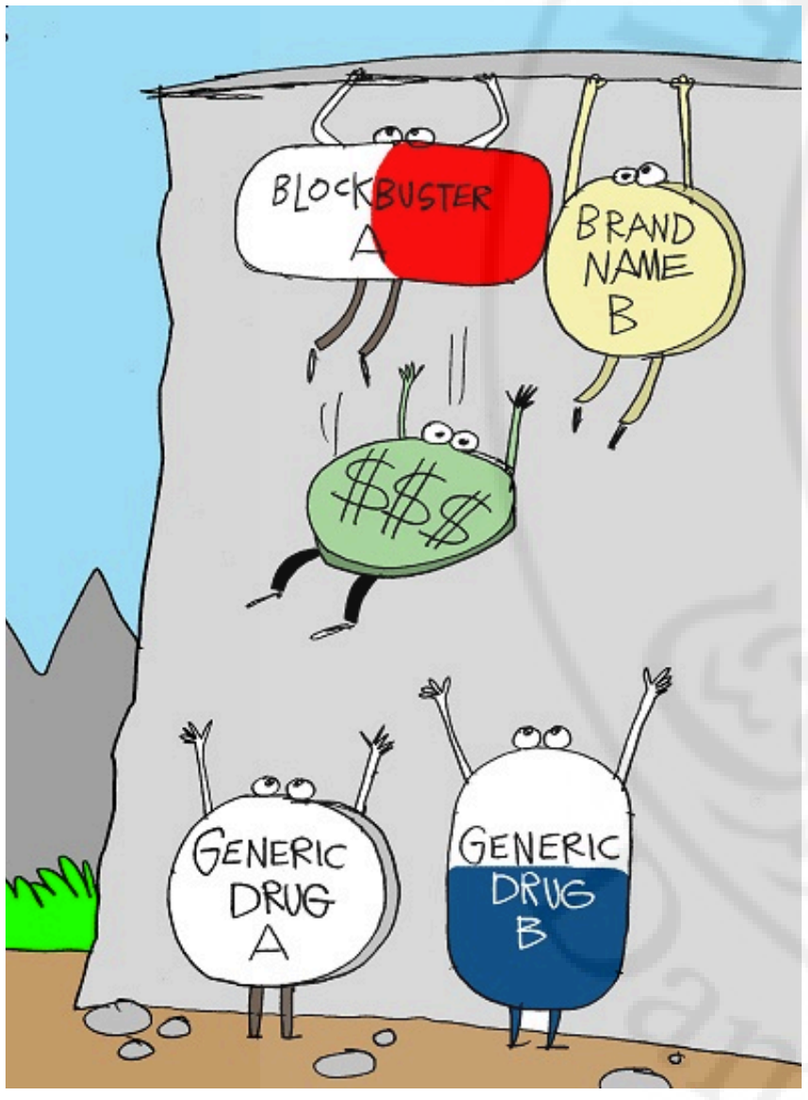


يكون انخفاض هذا المنحنى أكثر دراماتيكية عندما يواجه المبتكر الأصلي لعقار بمليارات الدولارات منافسة عامة من قبل **أدوية محاكية للمنتج** بشكل غير متمايز ومتكافئ بيولوجيًا **يتنافس فقط على السعر**

يتمثل التحدي السائد وفرصة الإدارة في هذا السياق في التخطيط المتسلسل وتنفيذ الخيارات بمعنى **استباقي أو تفاعلي** يمكن استخدامه لإبطاء أو حتى تجنب الخسارة في الإيرادات المرتبطة بدخول المحاكيات العامة أو غيرها من أشكال المنافسة على أساس السعر


BIG-BANG
MARKET SEGMENTS
TRIAL
USERS
VAST
MAJORITY
INNOVATORS
(2.5%)
EARLY
ADOPTERS
(13.5%)
EARLY
MAJORITY
(34%)
LATE
MAJORITY
(34%)
LAGGARDS
(16%)
ROGERS'S
MARKET SEGMENTS

The Ground Rules of Pharmaceutical Competition



قانون المنافسة في أسعار الأدوية لعام 1984 واستعادة شروط براءات الاختراع المعروف أيضًا باسم **قانون هاتش واكسمان** هو تشريع مقره الولايات المتحدة يهدف إلى تحقيق **التوازن** بين مصالح مصنعي الأدوية ذات العلامات التجارية وشركات الأدوية الجنيسة والمستهلكين.

يتيح Hatch Waxman خيارًا مهمًا لاستعادة بعض شروط براءة الاختراع التي ربما تكون قد فقدت بسبب التجارب السريرية

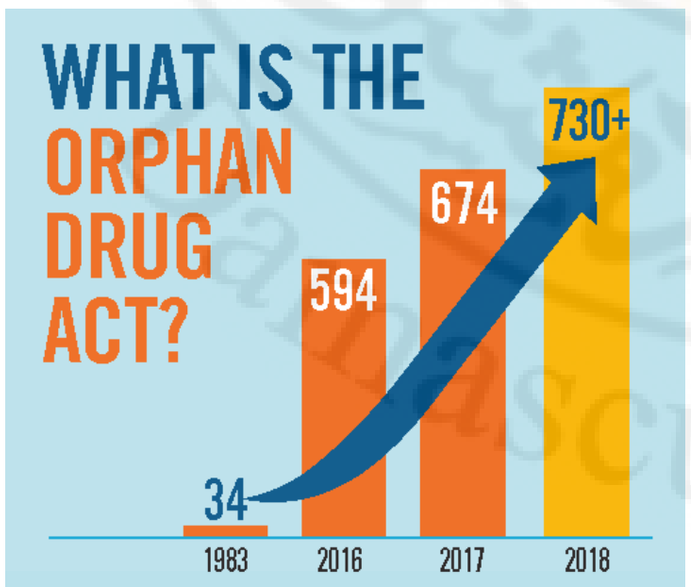
تم تحديد تمديد فترات براءات الاختراع في ظل Hatch Waxman بـ **5 سنوات كحد أقصى**

يمنح حاملو الأدوية الذين يجرون دراسات إكلينيكية لفحص فعالية الأدوية الخاصة بهم لدى الأطفال ، **تسويقيًا حصيرا إضافيًا لمدة 6 أشهر** بعد انتهاء براءة اختراعهم

The Ground Rules of Pharmaceutical Competition

يشجع **Orphan Drug Act (ODA)** لعام 1983 البحث في أسواق المرضى الذين يعانون من نقص الخدمات

Orphan Drug Act بحكم تعريفه له عدد صغير (أقل من 200000) من المرضى المستهدفين. هذا السوق المحدود لن يبرر الاستثمار المطلوب في التجارب السريرية اللازمة لإثبات فعالية الدواء. وبالتالي تمنح إدارة الغذاء والدواء الأمريكية ما يصل إلى **7 سنوات من التفرد التسويقي** لأي شركة تقدم طلب عدم إفشاء أو تطبيق دواء جديد إضافي مع بيانات تثبت حدوث تحسن في فعالية العلاج الحالي للحالات المرضية النادرة.



The Ground Rules of Pharmaceutical Competition

إن التطورات العلمية في علم الجينوم البشري الصيدلاني تؤدي إلى فرص لمزيد من تقسيم السوق لمجموعة من المرضى الحاليين إلى الحد الذي يمكن فيه حل العلاج النوعي وراثيًا في **مجموعة سكانية موجودة** يمكن تحقيق براءات اختراع جديدة في كل من التشخيص وأي إعادة صياغة تتناول السكان من النوع الفرعي.

أخيرًا ، **يمكن لشركة الأدوية الحالية** المُعتمدة تقديم نسخة **Generic** من الأدوية التي تحمل علامتها التجارية Brand في أي وقت قبل أو بعد انتهاء صلاحية براءة الاختراع

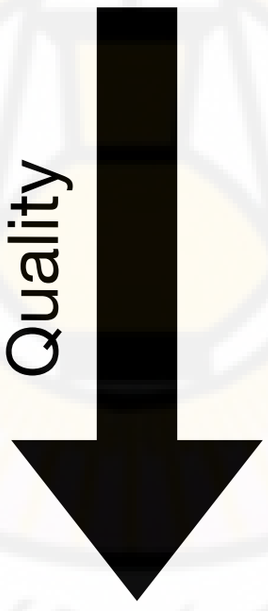
The Ground Rules of Pharmaceutical Competition

Monopolising the supply of key ingredients, this approach works better for **larger bioactive molecules**.

Drug brand equity such as colour or shape that is developed pre patent expiry may be used to move or transfer the prescription preferences of a **brand loyal population.**

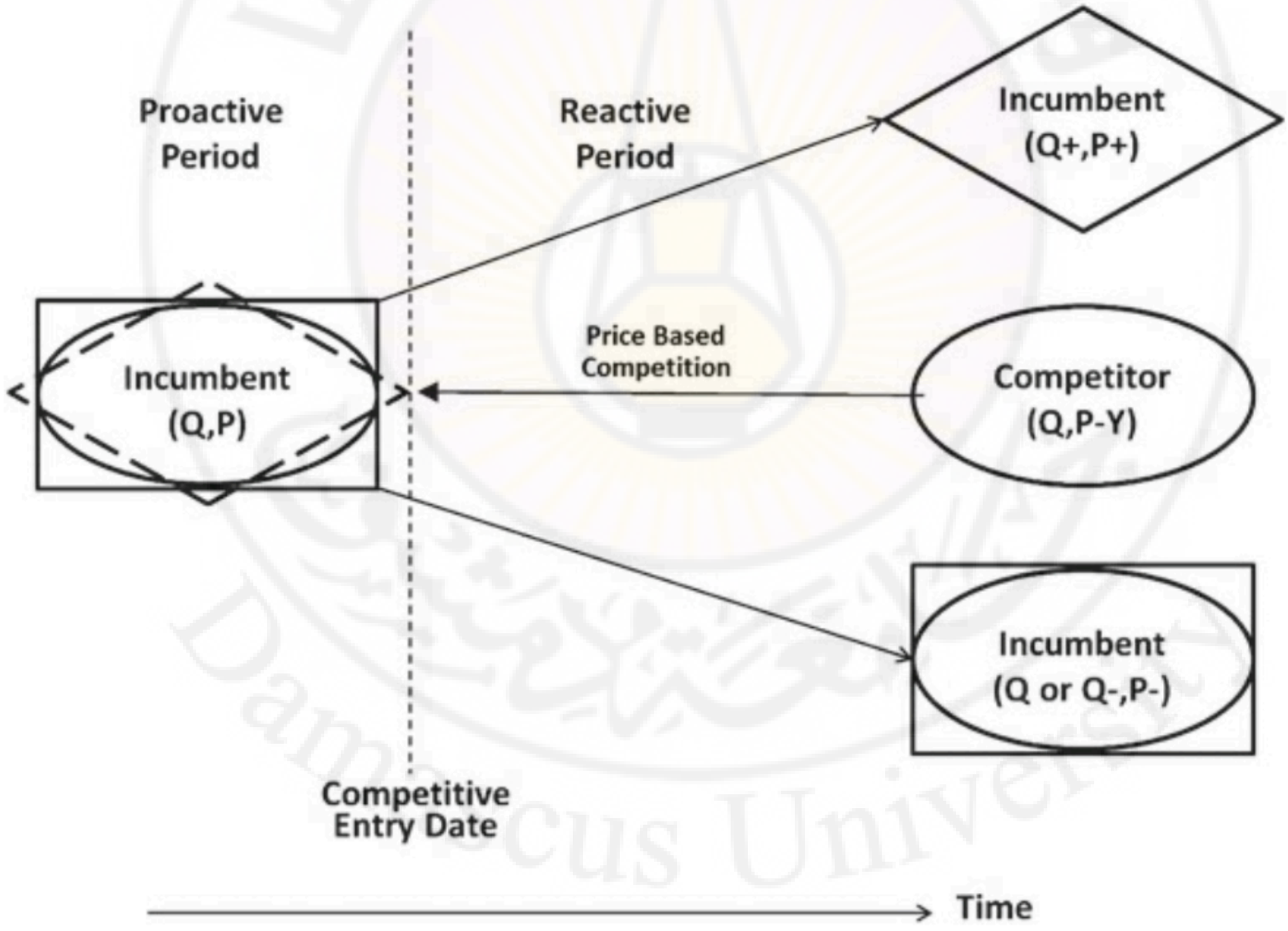
The Ground Rules of Pharmaceutical Competition

Patent and trade name loyalty



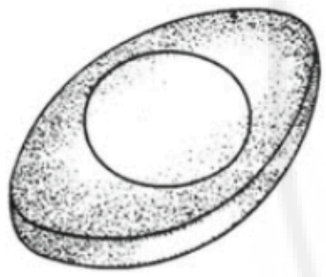
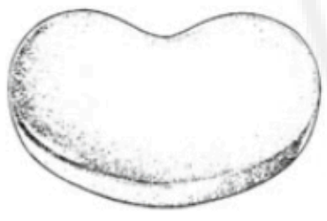
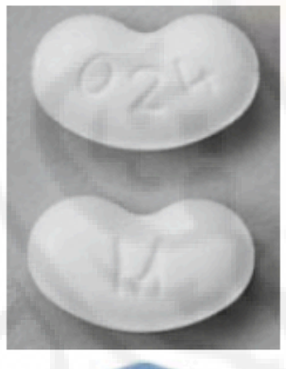
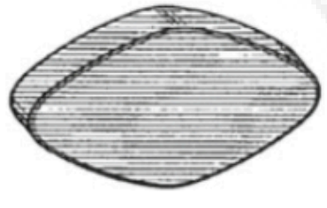
Multi-layer, complex intricate shield

“Sandwich” approach

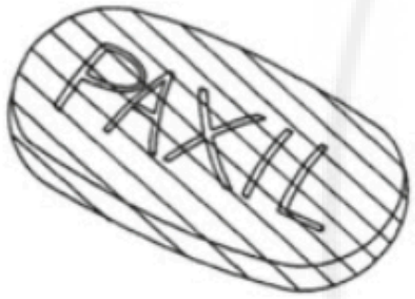


Pharmaceutical Marketing Mix Models

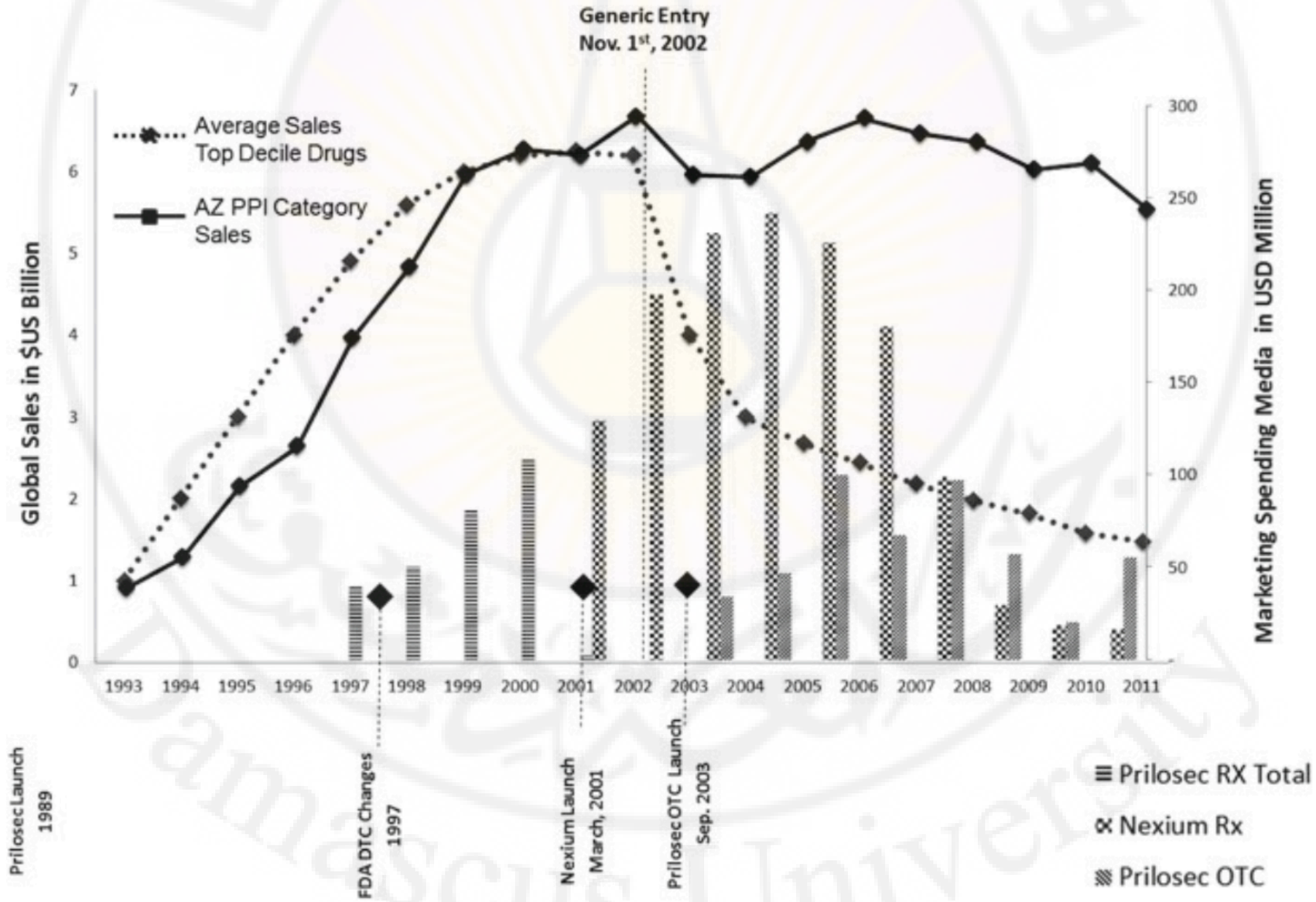
Colour or shape can be an important repetitive dimension of direct to consumer advertising both pre and post expiry.

USPTO	Image pill	Type	Drug name	Indication	Owner
		Shape	Ocuvite preservision	Eye	Bausch & Lomb Inc.
		Shape	Thalitone	Diurectic/kidney	Monarch Pharma. Inc.
		Shape	Viagra	Sexual dysfuntion	Pfizer Inc.

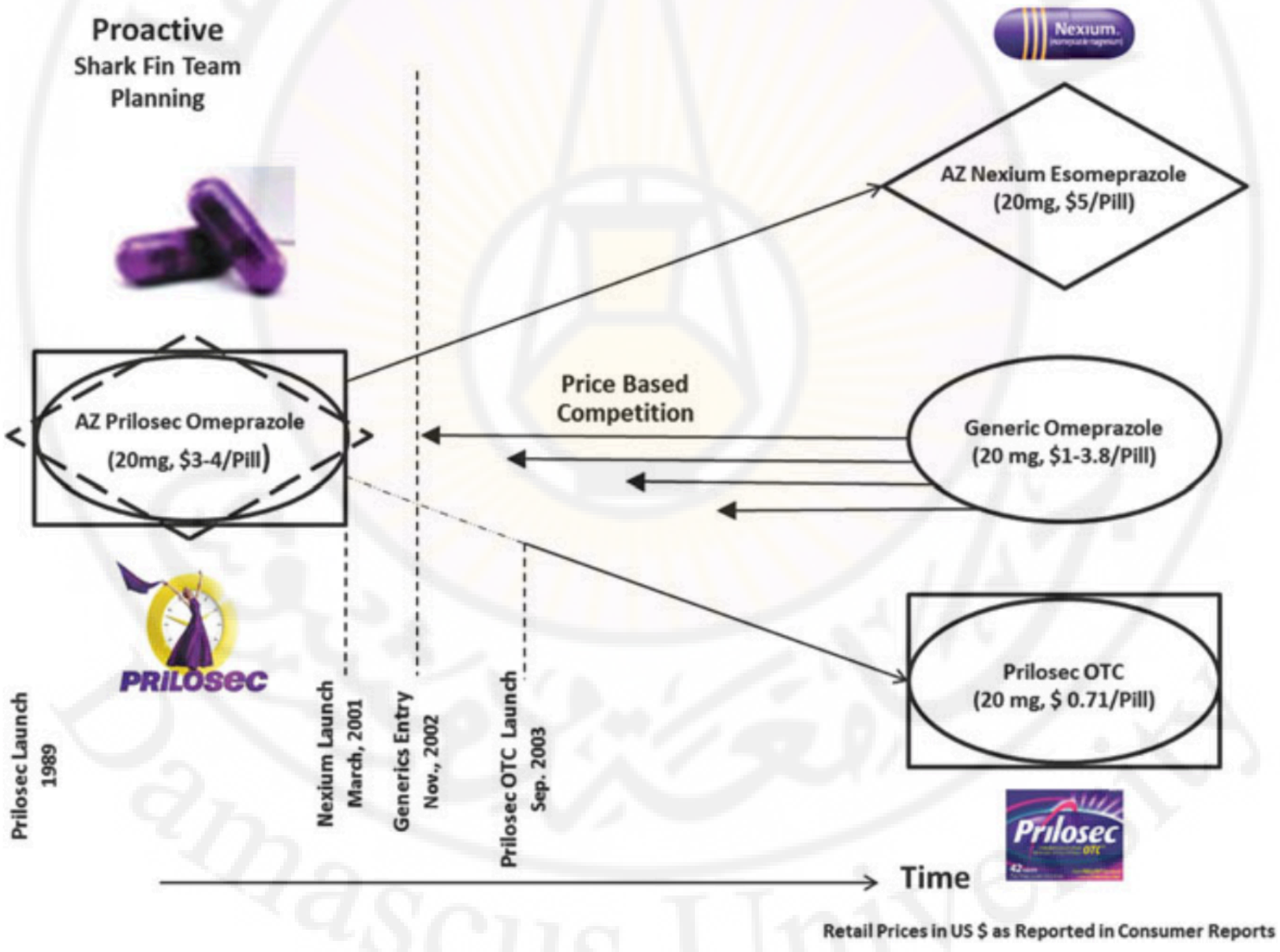
Pharmaceutical Marketing Mix Models

USPTO	Image pill	Type	Drug name	Indication
		Name/color	Paxil	Disease/disorder of central nervous system
		Color	Prilosec	PPI Gastrointestinal diseases
		Color	Nexium	PPI Gastrointestinal diseases
		Color	Nexium	PPI Gastrointestinal diseases

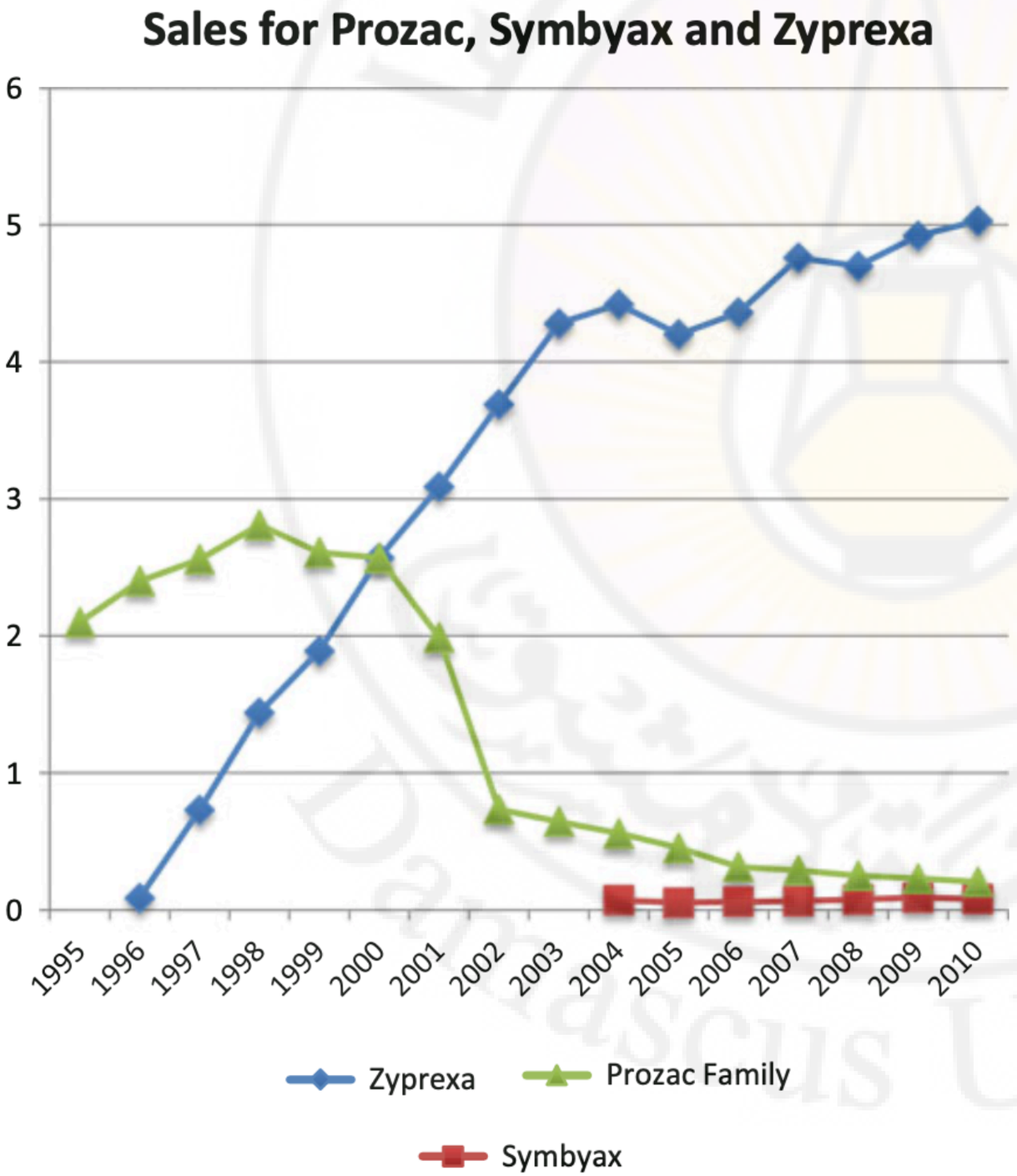
Arbitraging the Rules



Arbitraging the Rules



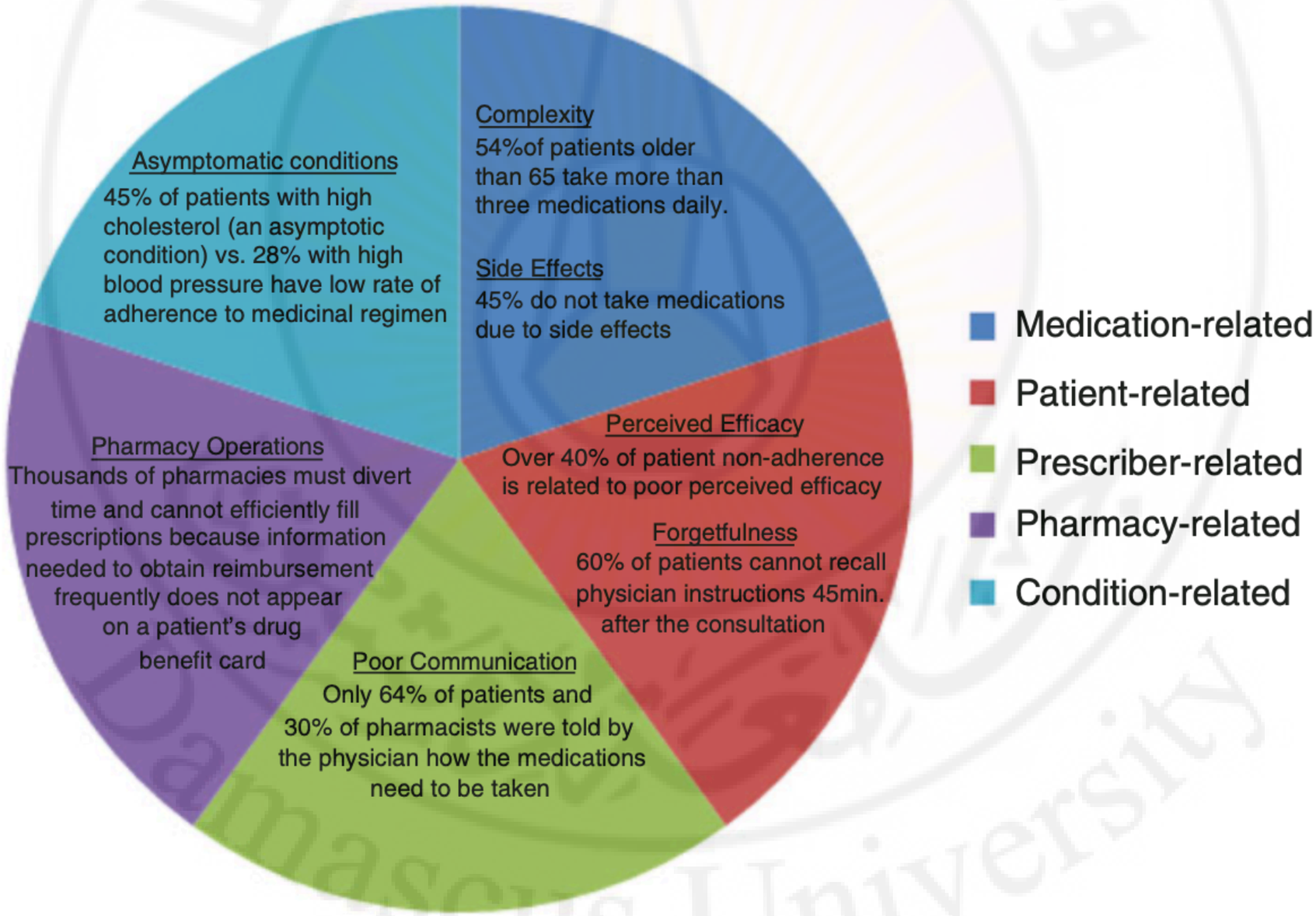
Eli Lilly, Prozac and Zyprexa







Factors that lead to poor adherence



Efficacy Expectations and Adherence

Stage 1: Awareness

يسعى مسوقو المستحضرات الصيدلانية إلى زيادة معدل الالتزام من خلال زيادة تصورات المستهلكين حول **الفعالية** من خلال الإعلانات المباشرة إلى المستهلك

Stage 2: Trial and Adoption Stage

في المرحلة الثانية - **التجربة والاعتماد** - تؤثر تصورات الفعالية على ما إذا كان المستهلكون سيلتزمون بالنظام الدوائي لأنهم يعانون من الآثار الصحية الإيجابية للدواء ؛ يتميز الالتزام في هذه المرحلة بالاستخدام السليم

عملية تقييم المستهلك والتي تحدد في النهاية

(1) كيف يختار المستهلكون الأدوية

(2) مدى فاعلية إدراكهم للعلاج

(3) كيف تُترجم تصورات فعالية المنتج إلى سلوك التزام

Effects of Intuitive Beliefs and Lay Theories on Efficacy Expectations and Adherence

Product Attractiveness

Pharmaceutical executives have noted that **pharmaceuticals** are lagging behind the consumer industry with regard to packaging



Effects of Intuitive Beliefs and Lay Theories on Efficacy Expectations and Adherence

Inter-attribute Correlations

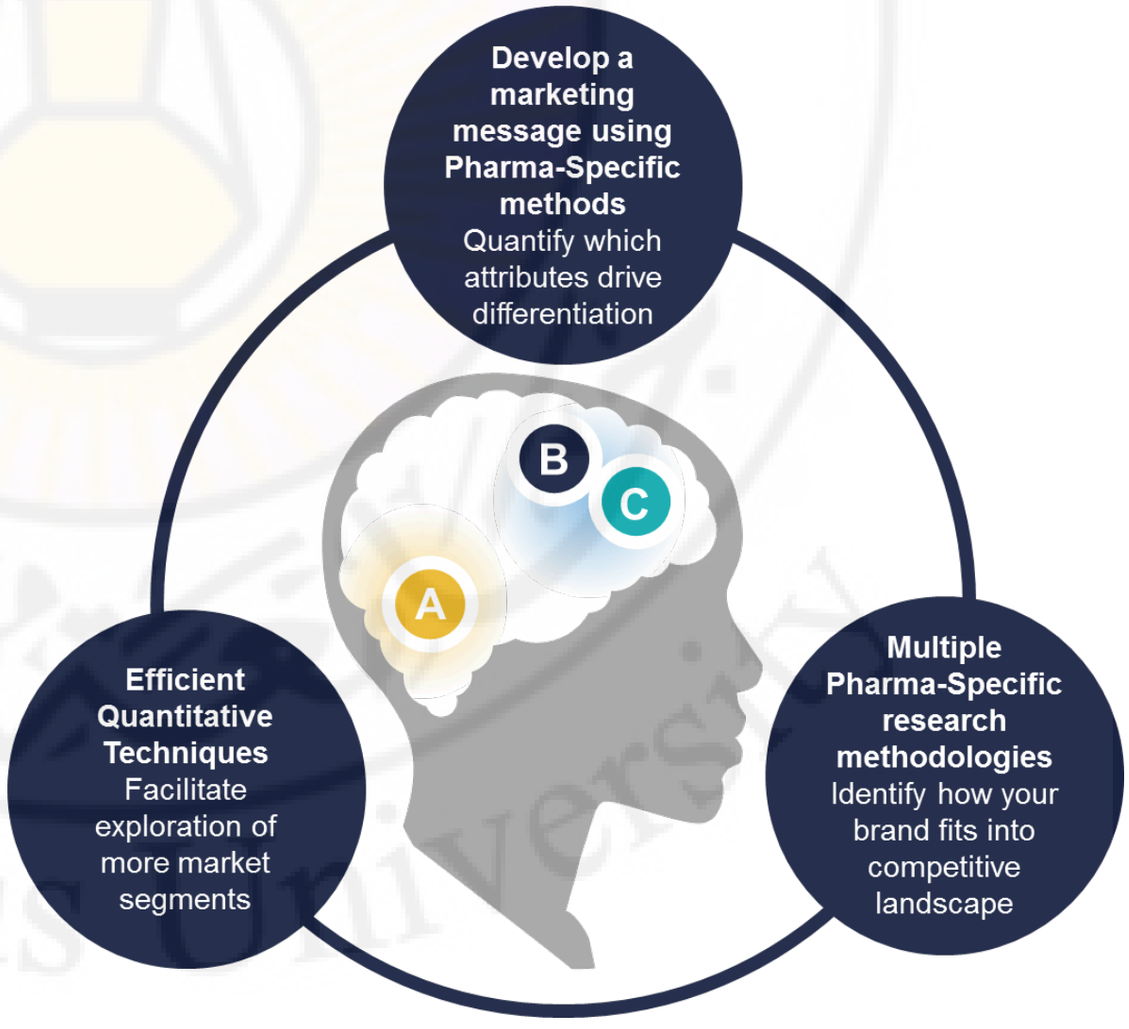
Aside from attractiveness, consumers also hold implicit **theories** of inter-attribute correlations, such as the positive warranty–quality relationship

In the pharmaceutical products domain, **Western medicines** (e.g., drugs), for instance, are perceived as fast-acting remedies whereas **Eastern medicines** (e.g., herbal medleys) are expected to have a slower action course.

Effects of Intuitive Beliefs and Lay Theories on Efficacy Expectations and Adherence

Perceptual Properties

Besides attractiveness in general, medication's specific properties may influence efficacy expectations. Evidently, perceptions of product efficacy are driven by the physical properties of the product, including **size, color, and form**



Effects of Intuitive Beliefs and Lay Theories on Efficacy Expectations and Adherence

Market Efficiency

Consumers also hold theories of the **marketplace efficiency**: forces of **supply and demand**

Presence of Side Effects

Oftentimes consumers utilize lay theories that go beyond the correlations between the **attributes** of medications.

Paradigms of Illness and Medicine

Wang et al. (2010) demonstrate that consumers hold lay theories about the nature of **their illness** and the nature of potential remedies

The Trial Stage: Spillover Effects of Efficacy Expectations from the Awareness Stage

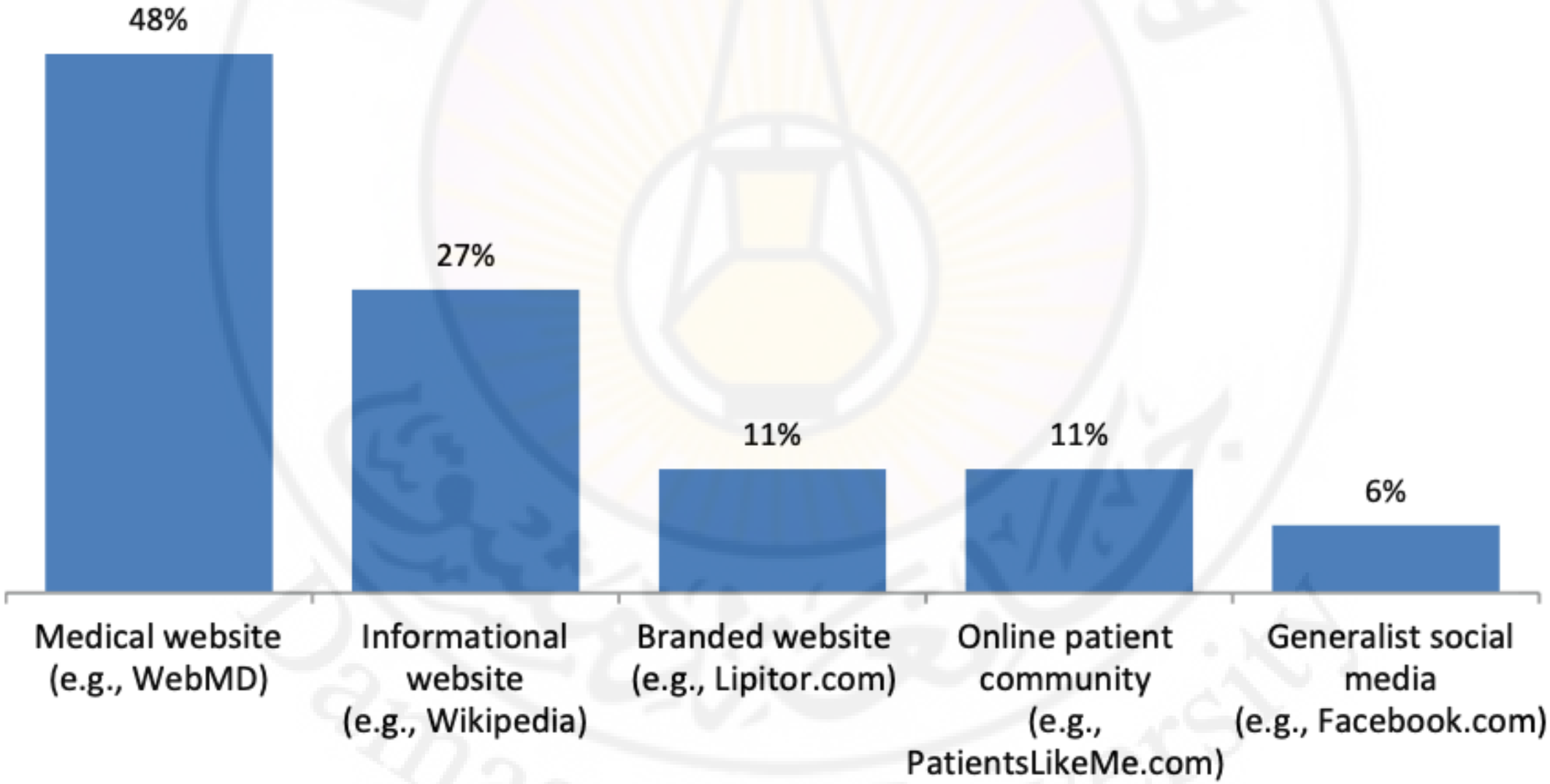
Placebo and Placebo-Like Effects

People are often unable to evaluate the quality of a treatment accurately even after starting the medicinal regimen. In such situations, efficacy expectations, rather than the active ingredients of the medication, may become influential for achieving health outcomes via an **expectancy-confirmation** (or disconfirmation) route.

Time to Onset

Another placebo-like effect is evident in judgments of a products' **time to onset.** Faro (2010) proposes that people may begin feeling the effects of a product in an unrealistically short duration after consumption if they have used the product before.

Most frequently visited Web sites by consumers searching for health information online



Patient Empowerment: Consequences for Pharmaceutical Marketing and for the Patient–Physician Relationship

Societal trends, such as the quest for more self-expression, demographic and life- style changes, technological evolution and regulatory changes, are contributing to a **new paradigm of medical decision-making.** The **traditional white-coat model**, in which physicians apply their biomedical knowledge to choose a therapy on behalf of their patients, is being abandoned in **favour of a model in which patients are expected and required** to actively participate on therapy choice. These trends have profound implications for the patient–physician relationship and require pharmaceutical firms to rethink the way they launch and **promote therapies.**

Top 20 Global Pharmaceutical Companies

		2019 Rx Sales*	2019 R&D Spend*	2019 Top-selling Drugs*	
1	**Roche** BASEL, SWITZERLAND [ROCHE.COM]	$48.247	$10.293	Avastin Rituxan Herceptin	7.118 6.518 6.078
2	**Novartis** BASEL, SWITZERLAND [NOVARTIS.COM]	$46.085	$8.386	Cosentyx Gilenya Lucentis	3.551 3.223 2.086
3	**Pfizer** NEW YORK, NEW YORK [PFIZER.COM]	$43.662	$7.988	Prevnar 13 Ibrance Lyrica	5.847 4.961 3.321
4	**Merck & Co.** KENILWORTH, NEW JERSEY [MERCK.COM]	$40.903	$8.730	Keytruda Gardasil Januvia	11.084 3.737 3.482
5	**Bristol Myers Squibb**** NEW YORK, NEW YORK [BMS.COM]	$40.689	$9.381	Revlimid Eliquis Opdivo	10.970 7.929 7.204
6	**Johnson & Johnson** NEW BRUNSWICK, NEW JERSEY [JNJ.COM]	$40.083	$8.834	Stelara Remicade Darzalex	6.381 4.086 2.998
7	**Sanofi** PARIS, FRANCE [SANOFI.COM]	$34.924	$6.071	Lantus Dupixent Pentacel	3.372 2.322 2.178
8	**AbbVie** NORTH CHICAGO, ILLINOIS [ABBVIE.COM]	$32.351	$4.989	Humira Imbruvica Mavyret	19.169 3.830 2.893
9	**GlaxoSmithKline** BRENTFORD, ENGLAND [GSK.COM]	$31.288	$5.541	Triumeq Shingrix Advair	3.255 2.311 2.209
10	**Takeda** OSAKA, JAPAN [TAKEDA.COM]	$29.247	$4.432	Entyvio Vyvanse Gammagard Liquid	3.182 2.520 2.151

تطوير وإبداع المنتج الصيدلاني

مفهوم التطوير يتضمن التطوير استخدام الطرق والأساليب الاقتصادية التي تمكن من تحويل الأبحاث إلى حيز التطبيق العملي

وعموما يمكن تقسيم التطوير إلى قسمين أساسيين هما **تطوير العمليات، وتطوير المنتج**

تقسم المنتجات الصيدلانية الجديدة من حيث كونها جديدة بالنسبة للمؤسسة أو جديدة بالنسبة للسوق إلى

ست فئات رئيسية:

1- **منتجات جديدة** تماما (لم تكن معروفة من قبل)

2- **خطوط منتج جديدة**

3- إضافات لخطوط منتج قائمة: نعني بذلك **التوسع العمودي**

4- **تحسينات أو تعديلات** على المنتج الموجود

5- **إعادة ترتيب** مواقع المنتجات

6- **تقليص التكلفة**: بمعنى منتجات جديدة تؤدي وظائف متشابهة وبتكلفة أقل

تطوير وإبداع المنتج الصيدلاني

لا يجوز للصيدلي أن يبدل أو يغير شيئا مما جاء في الوصفة وأن يكرر إعطاءها إذا كانت تحوي **مادة مخدرة أو مجهضة** أو مادة لها خاصة التراكم في الجسم أو تسبب الاعتياد والإدمان إلا بإشارة خطية من الطبيب ولا يجوز له تكرار إعطاء العلاجات الأخرى **إذا أشار الطبيب خطيا بعدم جواز تكرارها.**

إذا وجد الصيدلي في الوصفة خطأ أو سهوا مما **يخالف** دستور الأدوية المعمول به في بلاد الجمهورية العربية السورية وجب عليه أن يستوضح الطبيب عما جاء في وصفته فإذا أصر الطبيب تعاد إليه الوصفة ليخط خطأ ظاهرا تحت موضع الخلاف من الوصفة ويوقع في الحاشية مقابل ذلك الخط.

أنظمة الجودة وأهدافها من وجهة نظر الزبون

الجودة هي الملاءمة **للاستعمال** أو الغرض
الجودة هي المطابقة **للمتطلبات** أو المواصفات
الجودة هي مدى **إرضاء** الزبون



مراحل تطور الجودة

المرحلة الأولى تورد الشركة للزبون **أي منتج تنتجه ولو كان مخالفا للمواصفات**، ولا تقوم بأي شيء لمعالجة المخالفات حتى يقوم الزبون بتقديم شكوى وبإعادة المنتجات المخالفة ثانية للشركة. هذه الطريقة أصبحت **مكلفة** للشركة وخاصة عندما أصبح لها منافسون يستطيعون توريد المنتج دون وجود مخالفات فيه، وهذا ما اضطر الشركة إلى إجراء تغيير في إدارة عملها

المرحلة الثانية في هذه المرحلة من التطورات بدأت الشركة **بفحص المنتج في المرحلة الأخيرة للإنتاج** أو قبل شحن المنتج للزبون

المرحلة الثالثة في هذه المرحلة من تطور الجودة،تم تأسيس قسم للجودة في الشركة أوكلت إلى هذا القسم مهام مراقبة جودة المنتج واختباره ورفع تقارير عنه **خلال مراحل الإنتاج** التي تمر بها الشركة.

مراحل تطور الجودة

المرحلة الرابعة أتاحت هذه المرحلة **قيام العامل نفسه بالضبط الإحصائي** للعمليات التي ينفذها وهذا ما يسمى "الجودة في المنشأ"

المرحلة الخامسة في هذه المرحلة من تطور الجودة أصبح كل عامل في الشركة منذ عملية تصميم المنتج مرورا بعملية شراء المواد الأولية وحتى الإنتاج النهائي له وتسليمه للزبون **يعي بأن هدف الشركة هو إنتاج منتجات بأقل الأسعار وبأفضل جودة وتسليمها للزبون بأسرع ما يمكن**

الخطوات المطلوب اتخاذها لتطبيق أنظمة إدارة الجودة

تحديد **سياسة الجودة** وأهداف الجودة في المنشأة

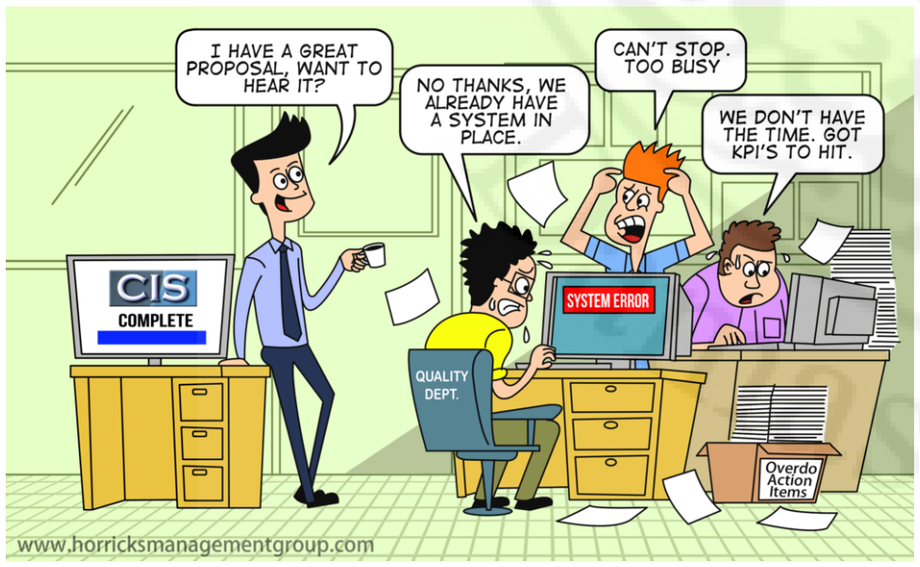
تحديد **العمليات الأساسية** التي تؤثر في تحقيق أهداف الجودة

تحديد **الوسائل والمعايير** اللازمة لتحسين فاعلية العمليات

فحص **النتائج** للوقوف على مدى تحسن فاعلية العمليات

تحديد **الوسائل لمنع العيوب** وتخفيض الهدر وإعادة التشغيل

التحسين المستمر للعمليات بهدف تحسين الفاعلية والمردود

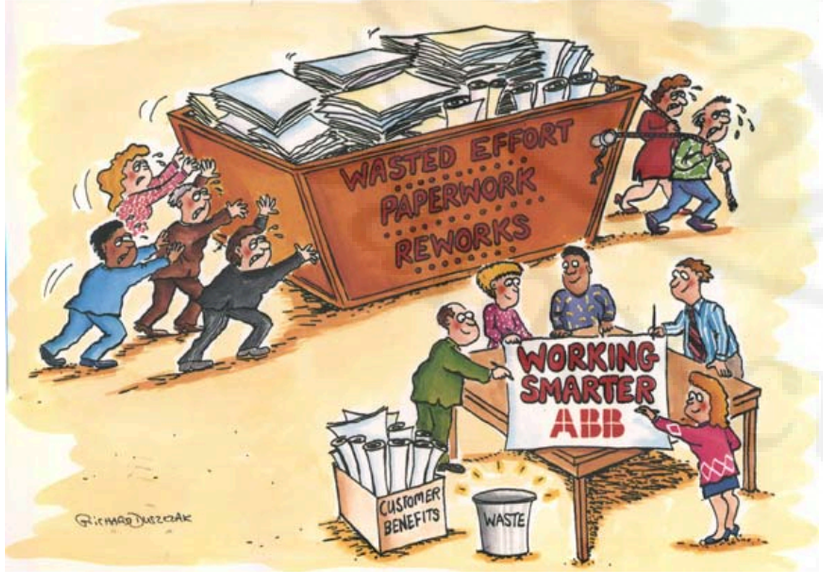


بعض التصورات الخاطئة عن الجودة وأهميتها

أ- **التكاليف العالية:** إن **تخفيض نسب العيوب والمنتجات المرفوضة** يعطي فائدة أكبر من تكاليف تنظيم الجودة

ب- **الزيادة في العمالة:** تحديد **معايير إنتاجية أفضل** وخفض أعداد المفتشين

ت- **التضييق على العمال** وخنق روح الإبداع: إن تنظيم الجودة لن يتحقق إلا **بتثقيف العمال** على أنهم هم الذين يبنون الجودة في المنتج وهم الذين يحسنون عمليات الإنتاج ويقومون بالأعمال التصحيحية لمعالجة العيوب الحاصلة في الإنتاج. إن تحقيق الجودة ليس أوامر عليا بل عملية تطور مستمر يقوم بها العاملون في المؤسسة ومهمة الإدارة هي **تحفيزهم** على القيام بذلك.



ميزات تنظيم الجودة

أ- **إرضاء** أكبر لحاجات ورغبات الزبائن المتزايدة باستمرار

ب- **الاستغلال** الأمثل للموارد الوطنية على أكمل وجه

ت- **تحسين** الإنتاج كما ونوعا

ث- **خفض** التكاليف

ج- **ملاءمة** العرض للطلب ورفع وتيرة التسويق

ح- **الإقلال** من الخصومات التجارية

خ- **تحسين** بيئة العمل

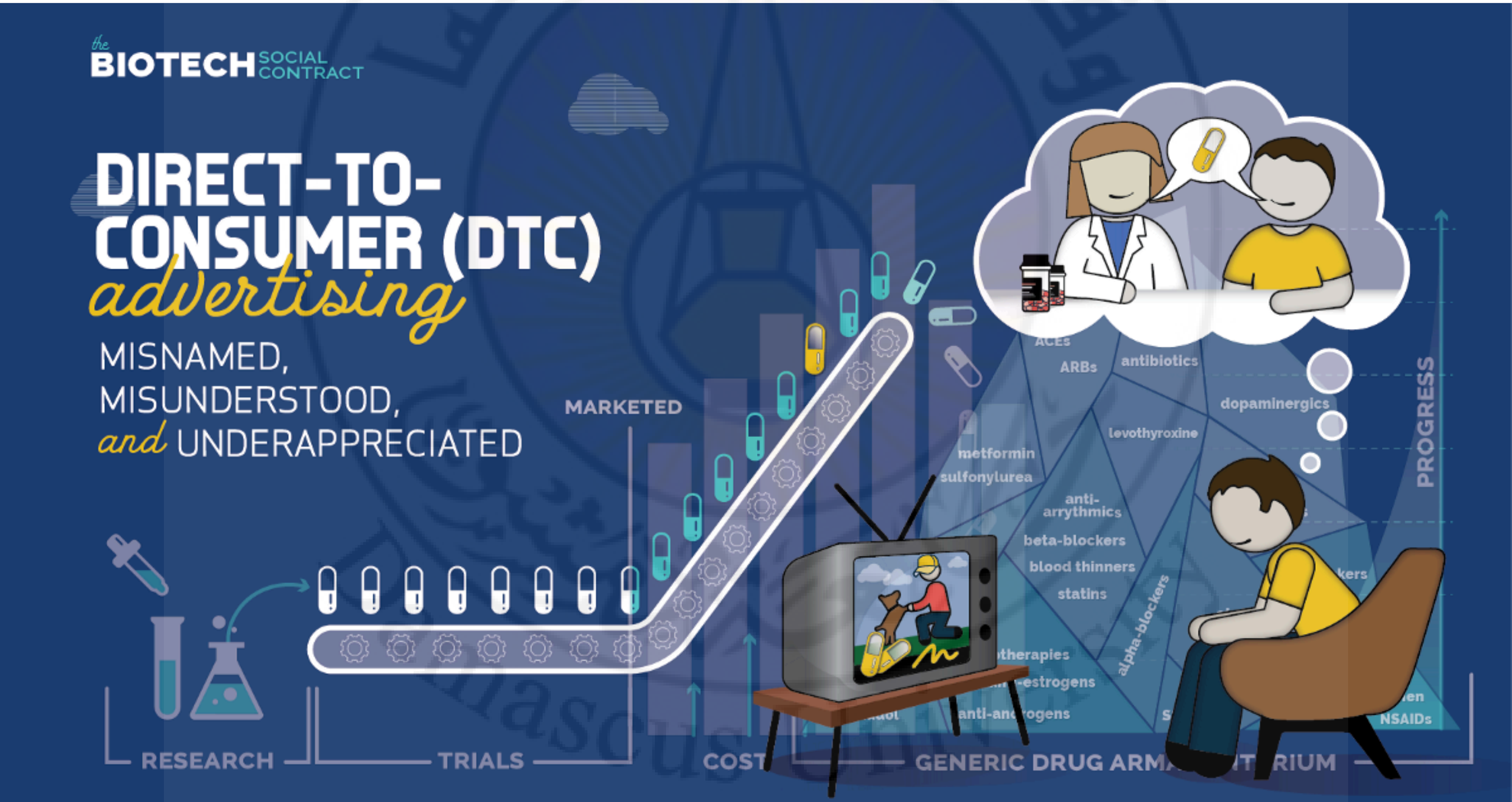
د- زيادة **الأمان** في العمل

ذ- زيادة فرص **التصدير**.

Damascus University

2

History of direct-to-consumer advertising



History of direct-to-consumer advertising

Despite its origins in the **sixteenth century**, direct marketing of pharmaceutical products to consumers is a **relatively recent** phenomenon.

Prior to the 1980s, prescription drug manufacturers primarily marketed branded drugs to physicians in an effort to **avoid disrupting** the intricate, and often delicate, relationship that existed **between doctors and patients**.

Around 1985 DTC ads were subjected to the **same** regulations that had previously **guided pharmaceutical drug advertising to physicians**.

Consumers were protected through "**full disclosure**" and drug manufacturers would be required to provide a "**brief summary**" of the product in the form of package insert.

History of direct-to-consumer advertising

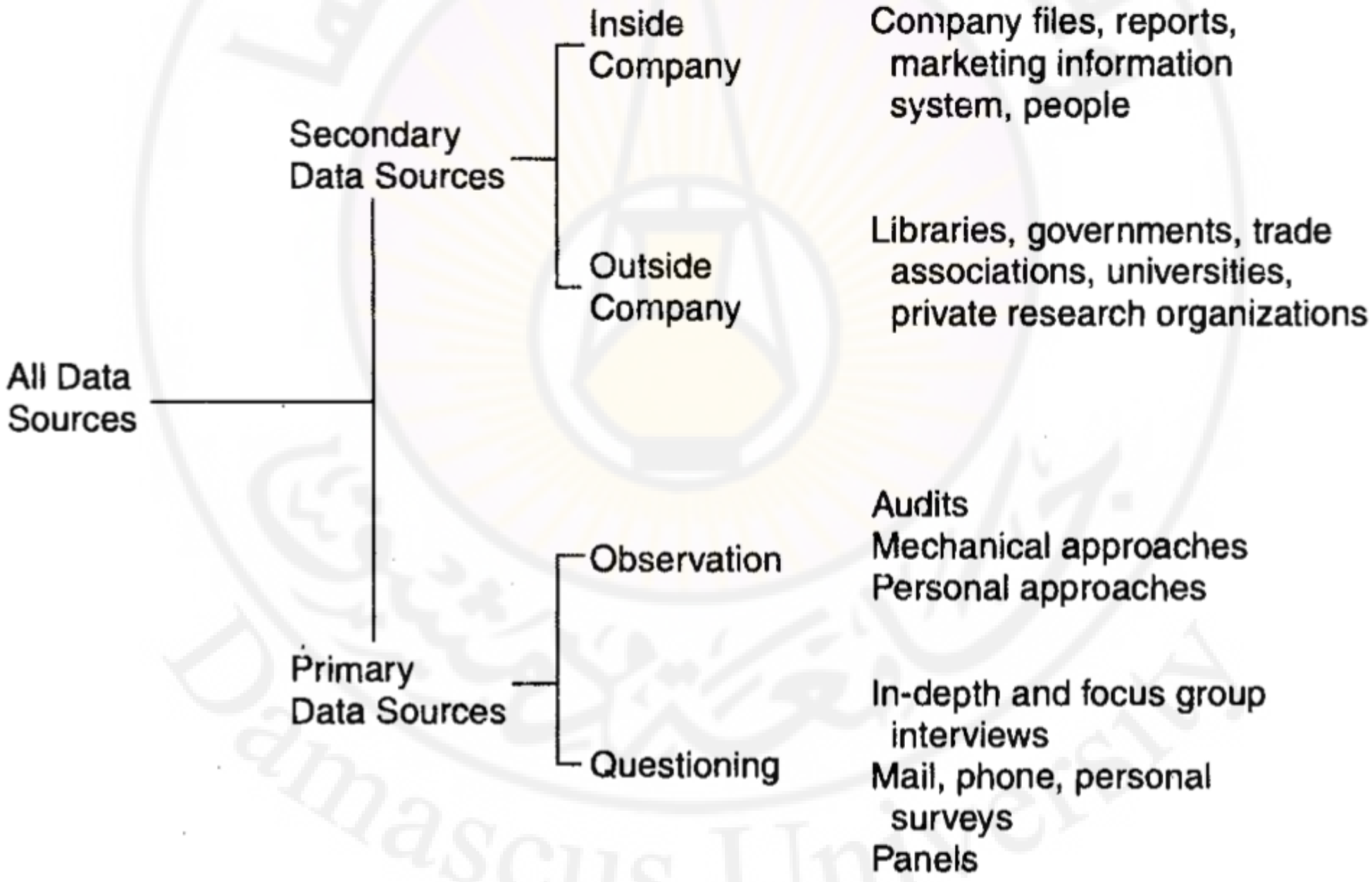
Manufacturers were **allowed** to provide **the name of the drug** and the conditions that were associated with **its use**.

FDA **relaxed** the guidelines concerning the information regarding the inclusion of **product risk information**.

Drug manufacturers would only be required to mention the **most critical information** that would be **common for the general population**.

Drug manufacturers started providing consumers with information on request *via* the **Internet and print advertising**

Market data sources

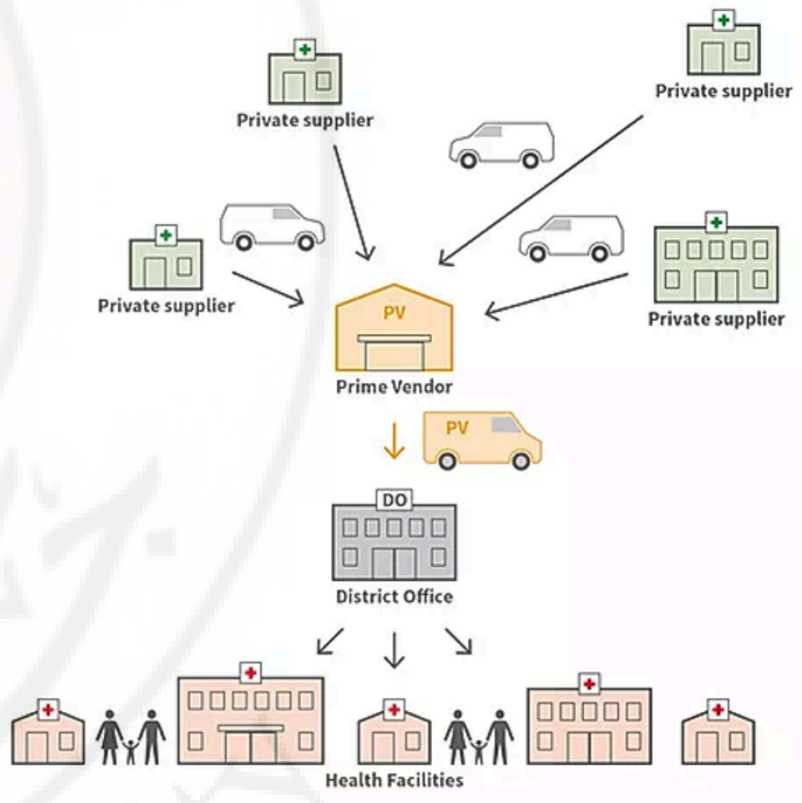


THE RIGHT PLACE

Efforts to- ward fulfilling the requirements to distribute prescription drugs as **efficiently** as possible have been the reason for **the development of the complex distribution channels** that include **wholesalers, retailers, hospitals, clinics, and government installations**.

The **location of the patients** and the establishments in the channels of distribution will affect **sales territories and transportation of the product**.

Most drug manufacturers have a **director** of trade relations or a director of distribution in their marketirig departments whose job it is to see that the establishments on whom the manufacturers must **depend for distribution understand.**

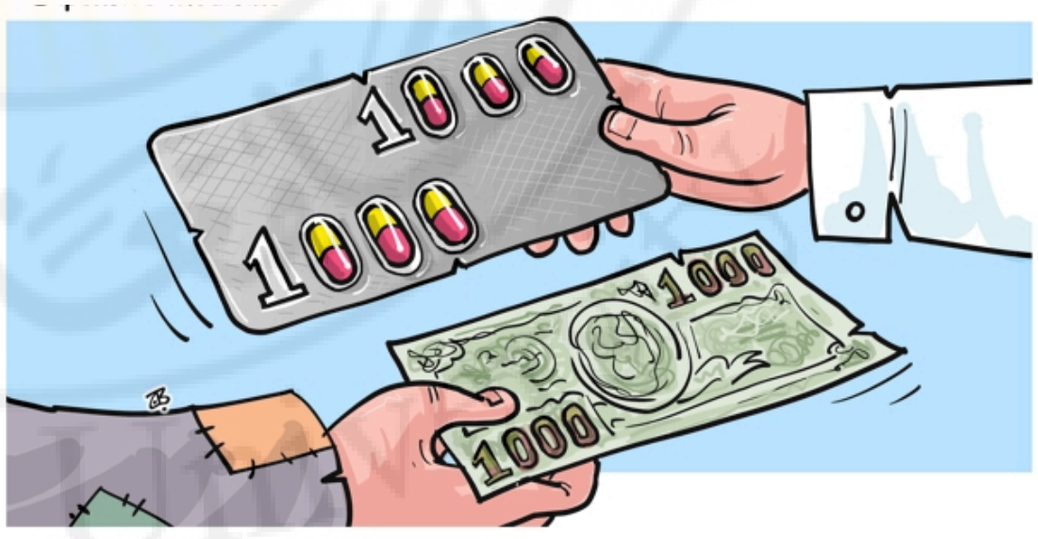


THE RIGHT PRICE

Theodore Levitt has observed ''Eating is a requisite, not a purpose of life. Without eating life stops. Profits are requisite of business. **Without profits**, **business stops**."

In practice, not one price, **but several prices**, will be set for a given product.

1. as sold in **varying quantities**
2. as sold to **retailers**
3. as sold to the **wholesaler**
4. as sold to **hospitals**
5. as sold to **physicians**
6. when sold in **foreign countries**



THE RIGHT PRICE

The marketing department would want to know, **among other things**

I . **expected sales** of the product

2. price of **competing products**

3. cost of **R&D**

4. **nature** of the market.

Some drugs are actually priced at a level that **incurs a loss** to avoid placing a **financial burden** on the limited number of persons requiring them.



"It's a major breakthrough. But we're still years away from being able to justify the outrageous cost per pill."

THE RIGHT TIME

Availability of the drug product when it is needed is a further **responsibility of marketing management**

The **injection of adrenalin must be available in the hospital emergency** room when the patient is there, not several hours later



The determination of **the optimal timing for the introduction of a new** pharmaceutical product.

The time for the introduction of a safe effective cure for **any life-threatening condition is immediately**. For other types of drugs, the decision may not be so clear-cut.

A new product for the treatment of **frostbite** would not **logically be presented during the summer months**

SPREADING THE WORD

The minimum amount of information that must be communicated by the manufacturer **is the availability of a product**

Although **physicians are engaged** in this relatively active and educated search process, there is a strong possibility that they will not become aware of a given product **unless someone has made a formal effort** to communicate to them its availability.

The marketer will wish to tell doctors what makes the product worth their prescriptions. to explain its **proper use**, and, for the patients' good, to point out **the inherent dangers** in the use of the product.

The sale of a product **should not be** so important that a manufacturer tries to conceal the potential **side effects of a drug**.



MARKETING MANAGEMENT

Successful coordination of all of the activities of the firm **requires a certain type of thinking** on the part of the top **management**.

The ability and willingness to **identify clear-cut company goals, specific aims** and the **understanding** of all corporate activities on the pharmaceutical market.

The most modern philosophy of management should be guided by the evaluation by the marketing department **of the needs of patients and physicians.** Levitt puts it this way: "There can be no effective corporate strategy that is not market oriented"



"I guess ***we'll*** explain it to the sales force...just as soon as someone explains it to us."

THE SOCIAL POSITION OF PHARMACEUTICAL MARKETING

Drugs affect and alter health.

The largest pharmaceutical manufacturers has defined its role to include the following:

1. **Discovery and development** of new drugs
2. **Rapid and safe development** of these drugs into useful therapeutic tools
3. **Production and distribution** of safe and efficient existing drugs

This role is admirably fulfilled by most members of the pharmaceutical industry **(at all levels)**. Nevertheless, the health field is ripe for exploitation.



Who Are These People?

Who Are These People?
William Osler wrote, "It is much more important to know what **sort of patient has a disease** than what sort of disease a person has." This is especially true for pharmaceutical marketing



Who Are These People?

- **Age:** Certainly ample evidence suggests that **older people use more medicines**, as do the very young. The proportion of elderly in the total population is growing.

- **Gender: Women use more medication**, proportionately, than do men. They also **live longer,** on average, than do men. They also tend to **buy things for others to use**.

- Race: Some illnesses are race specific, with some significant **variations** in incidence and severity of illness by race. African-American males, for example, have a much higher than average incidence and prevalence of hypertension and prostate cancer

- Marital status: This characteristic affects purchasing patterns. It has also been demonstrated that **married people are more likely to take their medicines appropriately.**

Who Are These People?

- **Education**: This is associated with reading and understanding labels and verbal instructions regarding **general health, symptoms, and medication use.**

- **Economic status:** This is still an important variable in decisions such as if or when to seek medical care and whether to use a prescription or **over-the-counter (OTC) medication.**

- Ethnic/religious characteristics: In a culture as diverse. These can be important in the understanding and use of medications as **oral contraceptives.** Different primary **language** is an issue and the differing cultural views of the meaning of **illness and the response to illness**.

Who Are These People?

Patient-based models allow for knowing the **population changes**

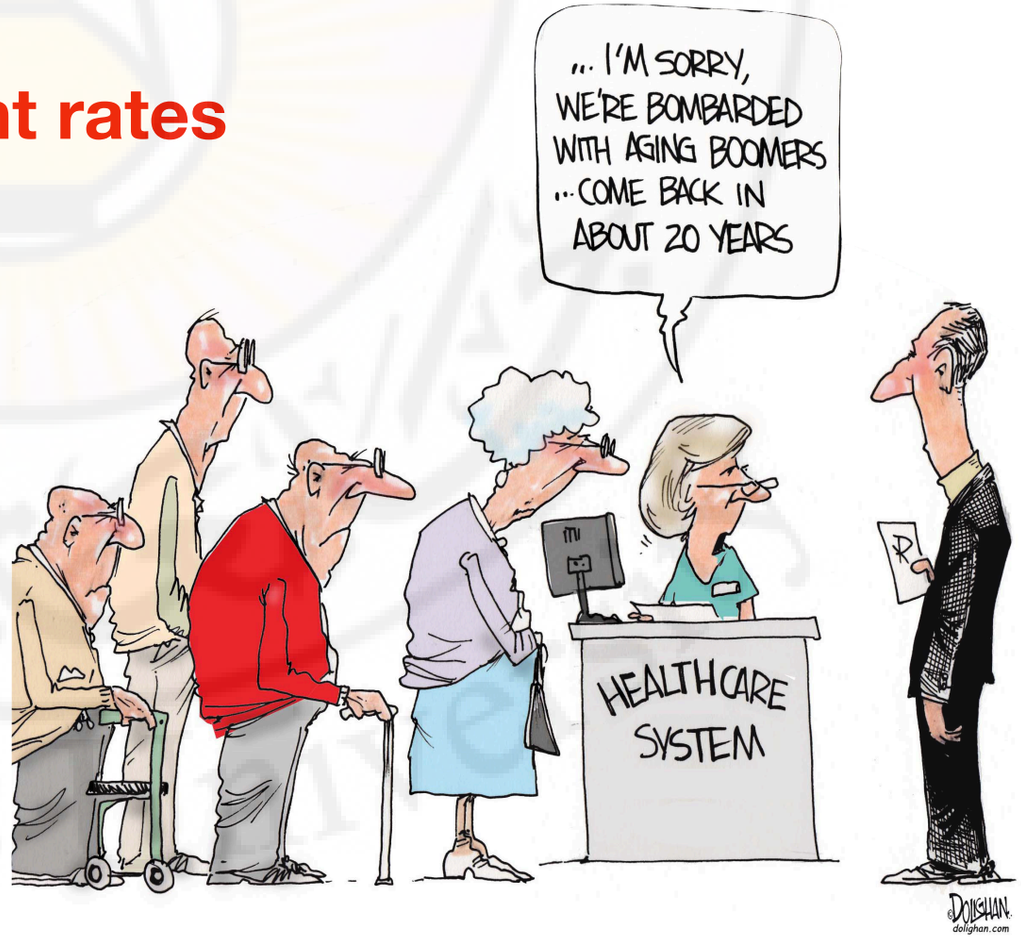
changes in incidence, prevalence, and **excess mortality**

changes in diagnosis and **treatment rates**

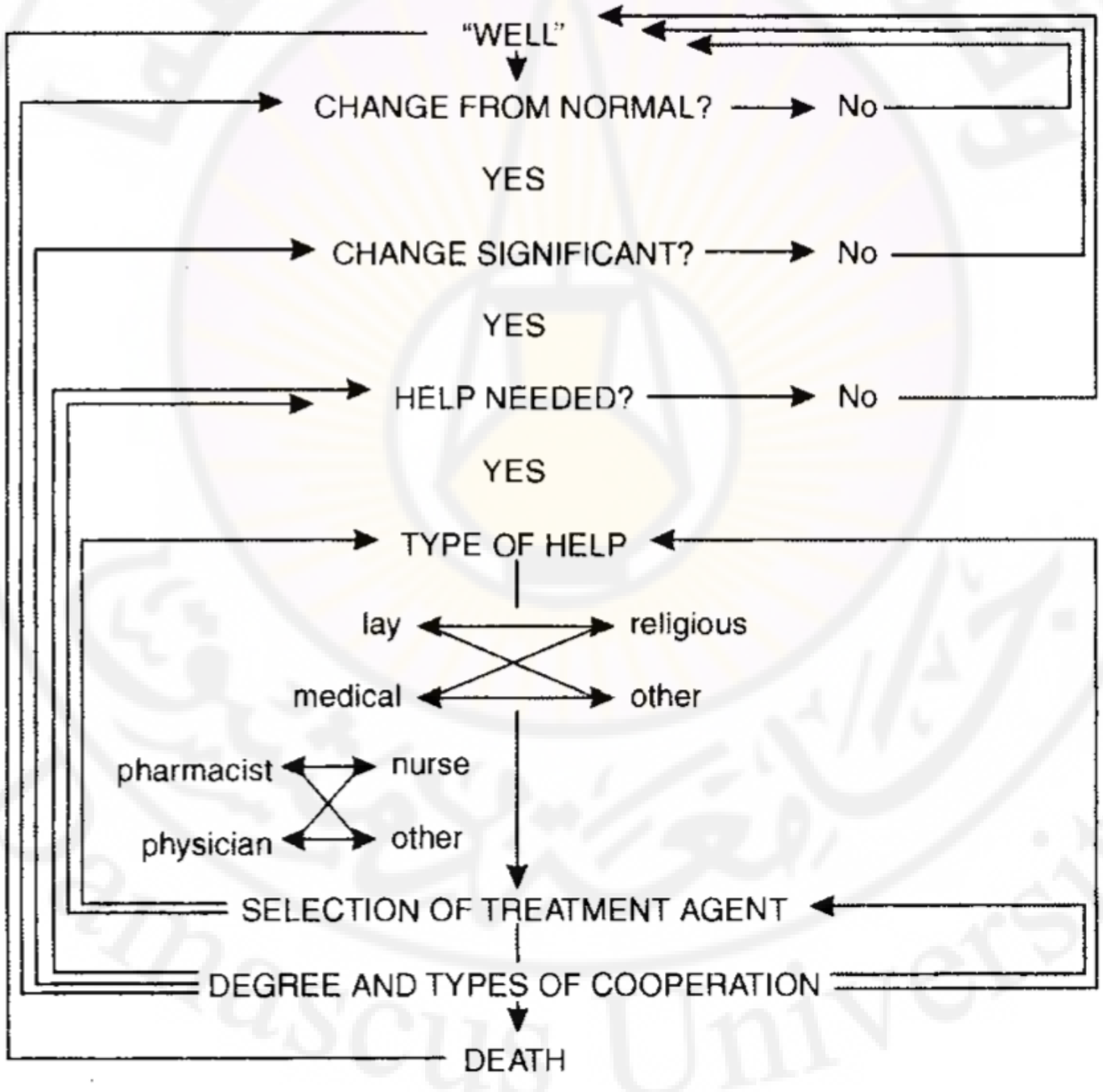
identification of **current needs**

disease **subtypes**

nondrug therapies



Who Are These People?



Who Are These People?

Among the factors that appear to enter into the patient's decisions concerning symptoms are the **following**:

1. Extent of **interference with normal activities**
2. The **clarity of the symptoms**
3. The tolerance threshold of the **symptomatic person**
4. The f**amiliarity and seriousness** of the symptoms
5. Assumption about **cause**
6. Assumptions about **prognosis**
7. Interpersonal **influence**
8. **Other life crises** of the symptomatic person
9. Assumptions about **treat ability**
10. **Physical** manifestations
11. **Impression** management



What Do These People Need?

Two possible mismatches between **need and demand** in the pharmaceutical field:

I. Patient wants for a variety of reasons (**direct-to-consumer** advertising, word-of-mouth recommendation, addiction/habituation) a **medication but does not need it.**

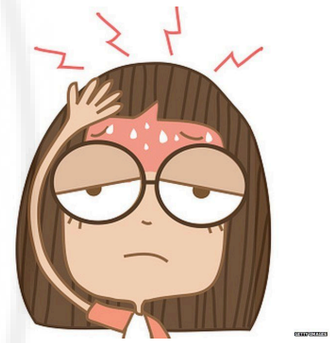
2. Patient **needs a medication** but for a different variety of reasons (ignorance, cost, no diagnosis or misdiagnosis) **does not want it**



"Coming in for your prescription and buying a ton of other stuff you really don't need ...that's one of the side effects."

What Do These People Need?

Nearly **one-half of all migraine** sufferers have given up on their physicians either because of



failure to improve
side effects of the medication prescribed
mis judgment of the effectiveness of his or her therapy
loss of confidence in the **efficacy** of medications and perhaps in the **skill** of the physician
continued migraine attacks with continued erosion of the patient's quality of life
loss of patient productivity
the cost of other therapies, including OTC medicines, used by the patient to no avail

New Rx vs Refill

	Decomposed Market		Fully Compliant Market
New Rx Written	160,000		160,000
New Rx Filled	150,000		160,000
Authorized Refills	1,920,000		1,920,000
Refills Dispensed	1,320,000		1,920,000
Difference (new and refill)	610,000	or	$6,100,000



System Constraints

The most sophisticated potential consumer of medication:

The patient must decide whether to treat the illness with a **non-prescription (OTC) medicatio**n or try to get a prescription medicine.

If the OTC decision wins, the medicine is probably **not covered** for payment by the patient's insurance or other benefit plan.

The patient's **benefit program.**

The practitioner may be limited in prescribing by the **benefit program to a generic** equivalent of his or her drug product choice or forced to choose a **lower cost** or other alternative from the same therapeutic class.

Limits may also **determine the number of refills** allowed, the quantity allowed, or the number of prescriptions allowed in a given time period.

The patient may even be expected to order prescription medications **by mail**

System Constraints

Martin Gross attacked primarily the "medical establishment,'' with the drug industry, he

I. called for elimination of **all types of drug promotion to physicians**
II. asked for denial of patients to **modification** of an existing drug
III. asked for compulsory licensing of drug patents after **three years**
IV. suggested patients insist on prescription by **generic name**



"Everything looks good. Now, we'll just bring in our company psychic to see if you have any pre-existing conditions from a previous life."

Government restrictions

No business can operate without considering a myriad of government restrictions and regulations. Costs and profits can he affected as much by a regulation written by a government official by

What **lines of business** should he explored?
What **products** can be produced?
Which **investments** can be financed?
Under what **conditions** can products be produced?
Where can products be made?
How can products he **marketed**?
What prices can be **charged**?
What **profits** can be kept?



Competition

A firm should first diagnose the **forces affecting competition** in the industry and their underlying causes and then identify its own **strengths and weaknesses relative** to the industry.

The firm should formulate its **strategy**, which amounts to taking **offensive** or **defensive** action in order to achieve a secure position against the competitive forces. According to **Porter**, this involves:

1. **positioning the firm** so that its capabilities provide the **best defense** against the existing array of competitive force

2. influencing the **balance of forces through strategic moves**

3. underlying the **forces and responding** to them

4. exploiting change by choosing a strategy appropriate **to the new competitive balance** **before** rivals recognise it.

What Do Our People Want?

According to this psychologist, an individual normally tries to satisfy the most basic needs first and, satisfying these, is then free to devote attention to the next on the list. This list follows:

- **Self-actualization need**: This is the desire to achieve to the maximum of **one's capabilities**

- Esteem needs: People need both **self-esteem, a high evaluation of self, and the esteem of others in our society**. Feeling of **self-confidence and usefulness to the world**

- **Belongingness and love needs:** Affectionate relations with individuals and a place in society

- Safety needs: In modern society these are more often reflected in terms of **economic and social security** rather than physical safety.

- **Physiologic needs:** This group includes hunger, thirst, sleep, and so forth. These are the most basic needs, and until they are satisfied other needs are of no importance.

What Do Our People Want?

A public relations director for a large pharmaceutical company has listed six questions that he believes the corporate executives should consider before attempting to establish a good image:

I. Has your **management agreed on the corporate image** your organisation hopes to achieve?
II. In addition to the general **long-range objectives** you want to accomplish, do you also have specific short-term objectives for your pro- gram?
III. Do you do enough **listening and research** to find out what your differentness think of your organisation'?
IV. Do you look to **case histories of firms** in fields other than your own for ideas you could borrow and improve?
V. Do you hold **necessary periodic reviews** of your program to consider what clicked, what failed, etc.?
VI. Do you identify yourself closely with the **"publics"** you are trying to reach'?

Probable Future Alterations of Life Patterns by Drugs

1. **Prolong childhood** and (shorten?) adolescence
2. Reduce need for sleep
3. Provide safe, short-acting **intoxicants**
4. Regulate **sexual** responses
5. Control **affect** and aggression
6. **Increase or decrease reactivity** (alertness, relaxation)
8. Prolong or shorten **memory**
9. Induct or prevent **learning**
10. Provoke or relieve **guilt**
11. Foster or terminate **mothering** behavior
12. Shorten or extend **experienced time**
13. Create conditions of **(novelty) or (familiarity)**
14. Deepen our awareness of **beauty**



Audits and Surveys

The following are seven general types of continuing audits or surveys of the pharmaceutical marketplace:

1. Retail pharmacy purchase audit
2. Hospital purchase audit
3. Warehouse withdrawal audit
4. Retail pharmacy prescription audit
5. Physician panels
6. Promotional media audits
7. Retail sales audit

3

Green Hat: “the Creative Hat”

The green hat represents creative thinking. When you're "wearing" this hat, you explore a range of ideas and possible ways forward.



Red Hat: "the Hat for the Heart"

This hat represents feelings and instincts. When you're engaged in this type of thinking, you can express your feelings without having to justify them logically.



Yellow Hat: "the Optimist's Hat"

With yellow hat thinking, you look at issues in the most positive light possible. You accentuate the benefits and the added value that could come from your ideas.



Black Hat: "the Judge's Hat"

This hat is about being cautious and assessing risks. You employ critical judgment and explain exactly why you have concerns.

Tip
The black hat is one of the most powerful hats, but it's often overused. Make sure that you and your team can justify any critical or cautionary comments, so that this mode of thinking doesn't dominate your decision making.



White Hat: "the Factual Hat"

The white hat represents information gathering. Think about the knowledge and insights that you've collected already – but also the information you're missing, and where you can go to get it.



Blue Hat: "the Conductor's Hat"

When you or your team are in blue hat mode, you focus on controlling your thinking and managing the decision-making process. You have an agenda, ask for summaries, and reach conclusions.



For the drugs we need

Advertising information or influence

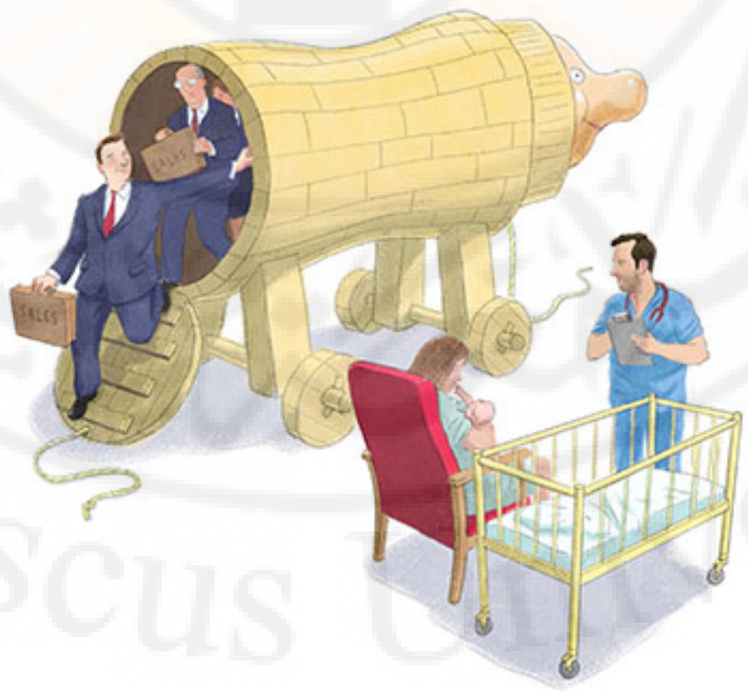
The doctors are the experts, or so we like to believe. And with the medical doctors as the decision makers, for many years the pharmaceutical industry. **Even** with the more recent advent of direct-to-consumer (DTC) advertising, the companies' sales representatives still have regular and expensive contacts with physicians, **spending large sums of money per year promoting brand name drugs** by giving doctors various gifts, travel subsidies, and free meals

Some rare doctors refuse any gifts from the drug companies of any kind in an effort to remain free of the taint of being "bought."

Skeptical patients given a brand name prescription look for **coffee mugs with that same name** around the front office as potential proof that the brand's company salesperson had recently paid the doctor a visit and generated the direction to buy an expensive product.

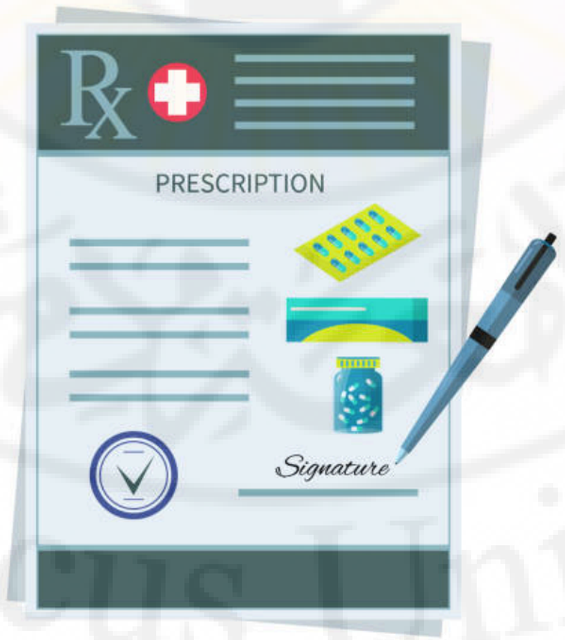
For the drugs we need

Regardless of whether there is intentional malfeasance, one study found that a significant number of statements from the sale representatives contradicted information readily available to them, and that the physicians generally **failed to recognize the inaccuracies**. While our personal doctors might claim that they derive their information **only from research articles**, there exists persistent evidence that they may be misled about a brand's value apart from the scientific data on the matter



For the drugs we need

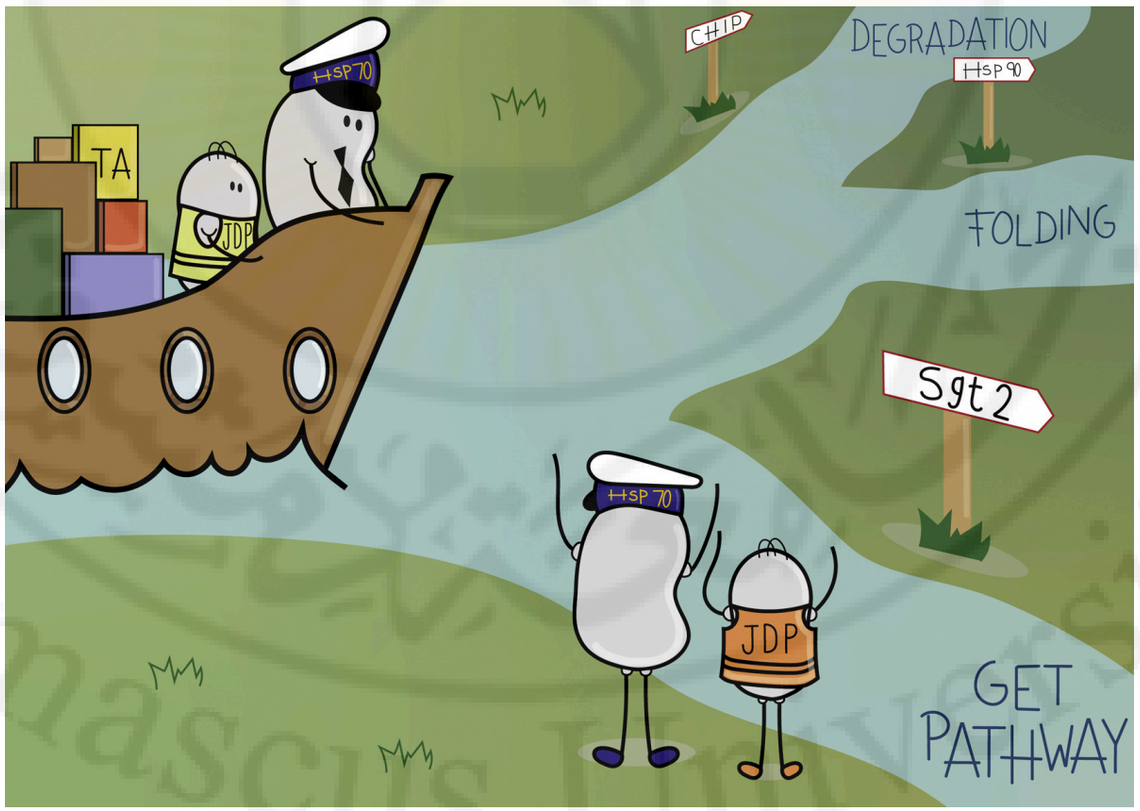
Even the medical practitioners do not always know or understand all the information they have available. Research repeatedly finds that once a **company starts selling a drug to assist a certain condition**, the number of people **diagnosed** with the problem increases by several times the original rate. Patients must at least wonder about the medical decision when **their new prescription is pre-printed on the doctor's note pad.**



Factors associated with social movement success

Structural conduciveness

The first factor, structural conduciveness, describes the broad social conditions necessary for **collective behaviour**



Factors associated with social movement success

Structural strains

Two major structural strains causing discontent with drug affordability are the **increased requirements in patient cost- sharing by health plans and** the **impending retirement of baby boomers**.

Increased patient cost-sharing causes dissatisfaction because it forces patients to share the pain of high drug costs. In the **past**, employer-paid private drug insurance plans **covered most or all of employee drug costs** as a way of attracting and keeping employees in a competitive job market. Now, rising drug costs have forced employers to pass some of those costs on to employees through increased prescription drug co-payments and coinsurance. Some employers are even dropping drug insurance altogether.

Factors associated with social movement success

Structural strains

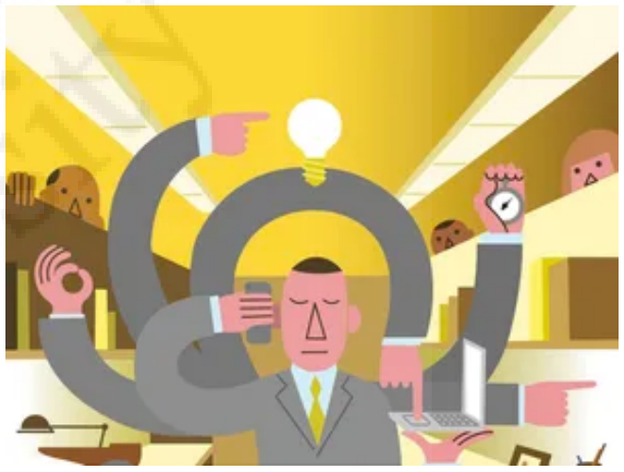
People are feeling the pinch of rising drug costs. This strain is exacerbated by the fact that baby boomers **are now facing retirement**



Factors associated with social movement success

Growth of generalized beliefs

The conduciveness of structural conditions in society and its resulting stresses can help shape public opinion that current conditions are undesirable. When public opinion coalesces into **common generalized beliefs of social events and stresses**, it can lead to a call for change. Public opinion is influenced by many sources – **mass media, personal experience, and word- of-mouth discussions** between individuals. Movements that control public generalized beliefs and public discourse can dictate the direction and perceived **viability of change**.



Factors associated with social movement success

Growth of generalized beliefs

Monopolization

Social movements that monopolize traditional media (e.g. newspapers, television) and non-traditional media (e.g. internet) can **present their viewpoint** in a way that effectively obstructs any counter-arguments of opposing viewpoints.



Factors associated with social movement success

Growth of generalized beliefs

Canalization

Public acceptance of propaganda by either side of the **affordable drugs debate is facilitated** by the **public's prevailing attitudes**



Factors associated with social movement success

Growth of generalized beliefs

Supplementation

Supplementation of media coverage and public opinion through **word-of-mouth (WOM)** sets the final condition for developing a generalized belief that change is needed



Factors associated with social movement success

Precipitating events

Social movements can be paralyzed even when a **dissatisfied public demands change** if there exist significant barriers to action.

Movements often need some **precipitating factor** or event that **sparks action**.

Precipitating events may be spontaneous or provoked by agencies

Most major drug legislation has occurred because some **precipitating event turned public sentiment against drug companies, against the prevailing practices of the pharmaceutical industry.**

Precipitating events can be a single, **major** episode or a **series of smaller** incidents that incrementally ratchet up the pressure for change. Single events **such as the thalidomide tragedy** have initiated most major legislation governing the pharmaceutical industry.

Factors associated with social movement success

Social control techniques

The progress of social movements depends, in large part, on the reaction of **those opposing them**. Opponents who effectively exert social control techniques can deflect negative public opinion and undercut the arguments of social movements. **Social control techniques are defined as social strategies used to influence individuals or groups** (. Social control borrows heavily from social marketing.



Social control techniques

Manage the public's image

Drug companies are **aware** that they have **image problems**

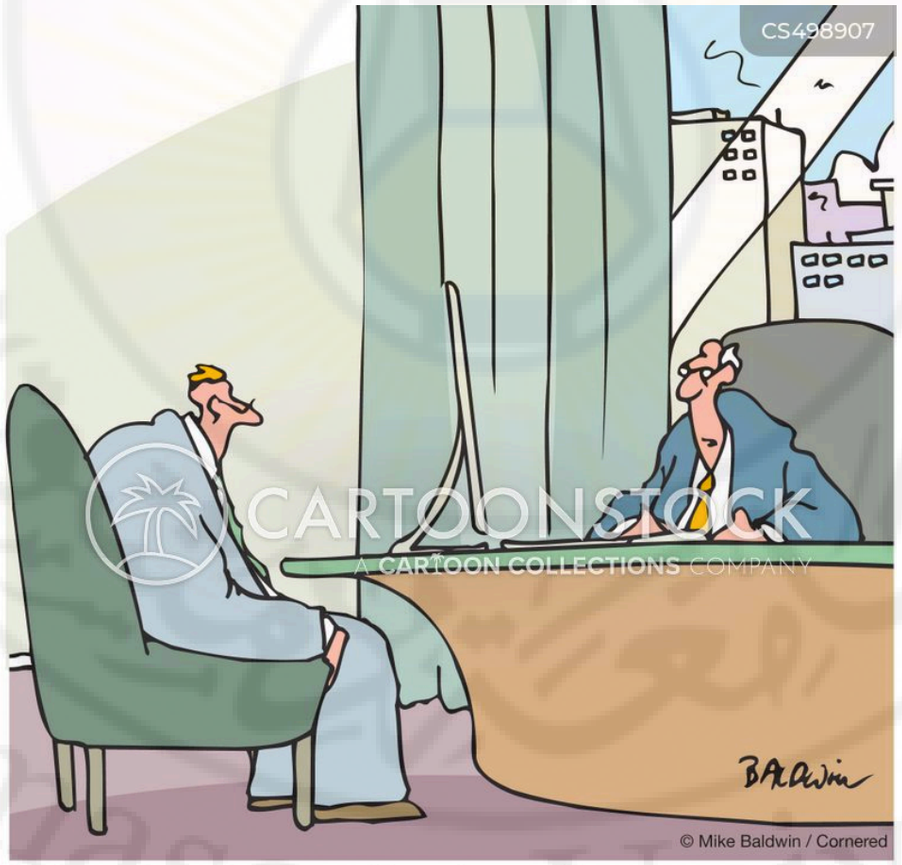
They have responded with public relations campaigns that attempt to present a consistent and coherent message (Tsao, 2004). **The message is that drug companies need money to innovate**, high profits to pay for the risk of research, **marketing to educate** people about complex therapies, **me-too drugs to meet the individual needs** of patients, and l**ess regulation** to **reduce the costs** of making drugs.

In addition, industry **emphasizes how they provide free and low** cost drugs to needy patients and save lives. A good public image helps when implementing some of the other social control techniques.

Social control techniques

Influence the evaluation process

At the health system and hospital levels, pharmaceutical companies **heavily lobby** medical directors, pharmacy directors, formulary committee



"It's simple, really. Just figure out what the honorable thing to do is – and make it look like we did it."

Social control techniques

Influence the agenda

A related tactic is to influence the agenda of decision makers in a way that benefits drug companies. Industry often argues that **opponents focus on the wrong issue**s. They counter that affordability is not a question of high drug prices, drug company profits, nor marketing clout. Instead, the real issues are the needs to permit the marketplace **to decide what drugs will succeed or fail,** reduce legislation that prevents **innovations** from getting to patients, and **reward the risks of investors** with profits. Indeed, marketers would likely argue against the label "affordability movement" used in this paper in favor of an industry friendlier tag such as the "drug **regulation burden movement**".

Social control techniques

Build coalitions and alliances

Opponents of social movements frequently build coalitions and alliances to give them allies to **lobby for their cause and influence public opinion**



"I'm looking forward to this coalition."

Social control techniques

Co-opting opponents

Co-opting occurs *when one converts* ***an opponent into a supporter****. Co-opting can be accomplished in a variety of ways. One is to place a supporter in an* ***opposition group.*** *This might be done by encouraging a supporter to serve on a* ***regulatory agency*** *that is blocking a pharmaceutical industry initiative. Another strategy might be to* ***co-opt potential opponents with consulting fees*** *or other financial incentives. In fact, financial relationships between* ***clinical researchers and drug companies*** *are a serious concern among many. Co-opting can also occur when* ***opponents find areas of common interest and work together****. This occurred when pharmaceutical companies found that AIDS activist groups, vocal critics of drug pricing policies, could be used to pressure politicians to support* ***funding*** *for expensive AIDS treatments.*

Social control techniques

Cultivate opinion leaders

Cultivating key opinion leaders (KOLs) is a major strategy used by pharmaceutical companies to **influence** public and private discussions about drugs.

Industry develops relationships with KOLs in medicine, academia, public policy, and government to spread key talking points about the value presented by drugs. **KOLs are physicians and other individuals whose** opinions have [illegible]ertise, and/or connections



Proposed changes

Regulating industry
Most regulatory solutions for making drugs more affordable focus on having the **Government control the price of drugs**

The Government can accomplish this directly by restricting the prices charged by companies or indirectly by restricting the amount **of drug revenue that can go to profits**.

Direct price controls in European countries work by having some governmental agency establish a price ceiling for which a drug can be sold or reimbursed through an **insurance program.** Prices are typically set based on charges for comparable drugs in other markets **within or outside of the country.**

Profit controls are problematic because they do not halt drug price increases and **encourage inefficiency in drug development**.

Proposed changes

Increasing competition

Despite the resistance to governmental price controls, **there are growing feelings that reliance on the market alone is not the solution**

Under the current patent system for drugs, abusive pricing practices by industry can occur unless patented medications are made **to compete against generic and therapeutic alternatives**



Proposed changes

Make better purchases

Demands to regulate drug companies are based on the assumption that industry is the **problem for high drug expenditures, while calls to increase competition** assume that the market needs to be fixed.

However, the problems of drug affordability could be resolved simply if **better purchases are made at the payer, physician, or patient levels.** If more **discipline and rationality were encouraged in the process of drug selection** and reimbursement, **greater value could be achieved with health care spent**.

Current mechanisms for purchasing drugs encourage industry **to increase marketing, charge higher prices for new drugs, and promote utilisation**

Proposed changes

Make better purchases

Improve prescribing

Physicians are responsible for most health care utilization choices, so the health care system should **facilitate cost- effective prescribing**.



Proposed changes

Make better purchases

Focus on value in making drug choices

The current environment of medical research and evidence- based medicine results in the conclusion that “**more medicine is better**” “**more efficiency is better**”



4

Global marketing of lifesaving drugs: an analogical model

- A **description** of the “target problem” of the HIV/AIDS pandemic
- An exploration of the source industries and **problems that might offer**
- A feasible set of “**candidate solutions**” to the pandemic
- An evaluation of the “**target problem solution**.



A description of the “target problem” of the HIV/AIDS pandemic

The HIV/AIDS crisis may well be **the worst pandemic** since the fourteenth century AD Black Plague. The first case of AIDS (acquired immune deficiency syndrome) was identified in June 1981 at the US Center for Disease Control (CDC) as a rare illness among homosexuals. In 1983, the retrovirus dubbed HIV (human immunodeficiency virus)

The source industries and problems

The markets of the developing nations are underserved in relation to high-tech and quality products. The conventional reasoning is that these markets though **large** have a **very low buying power** and therefore, cannot afford lifesaving products and services. In relation to lifesaving drugs, such reasoning implies that "**they who cannot pay, die**". New thinking has proved that this conventional reasoning is **flawed**

Candidate solution types

When Aravind Eye Care in India proposed to offer affordable cataract surgery to the poor of southern India, it knew that its customers could never afford the usual procedure cost of $3,000 prevalent in the developed world. The company, therefore, reengineered the procedure and innovated a process with high quality that decreased the cost from **$3,000 to $30** per procedure. Aravind Eye Care is now the globe's largest eye-care facility. It performs more than 200,000 surgeries a year. The quality of care Aravind delivers is as good as any in the developed world. Debt-free and highly profitable, Aravind Eye Care records an annual return on equity of more than 75 percent. **The poor can, indeed, be profitable**

The target solutions

Discount pricing

With accelerated pressure from **international government agencies and especially, from sub-Saharan African countries**, **GSK, Timeris and Roche** and other leading HIV/AIDS drug manufacturers have offered heavily discounted drug prices to developing nations. In the year 2000, manufacturers began talking to various UN agencies about offering AIDS treatments to African nations at "**affordable" prices.**

Discount pricing, moreover, could be bound by problems of **time** and **quantity limitations** and will most often depend on the **capricious goodwill of the pharmaceuticals.**

The target solutions

Donation of drugs

Pfizer agreed to provide fluconazole to South Africans affected by cryptococcal meningitis. **Boehringer-Ingelheim for a limited period of time donated Nevirapene**, a drug proven to drastically reduce the mother- child transmission of HIV.

This donation-solution may not be sustainable or desirable over time, especially when millions of **immediately preventable deaths** are at stake.

The target solutions

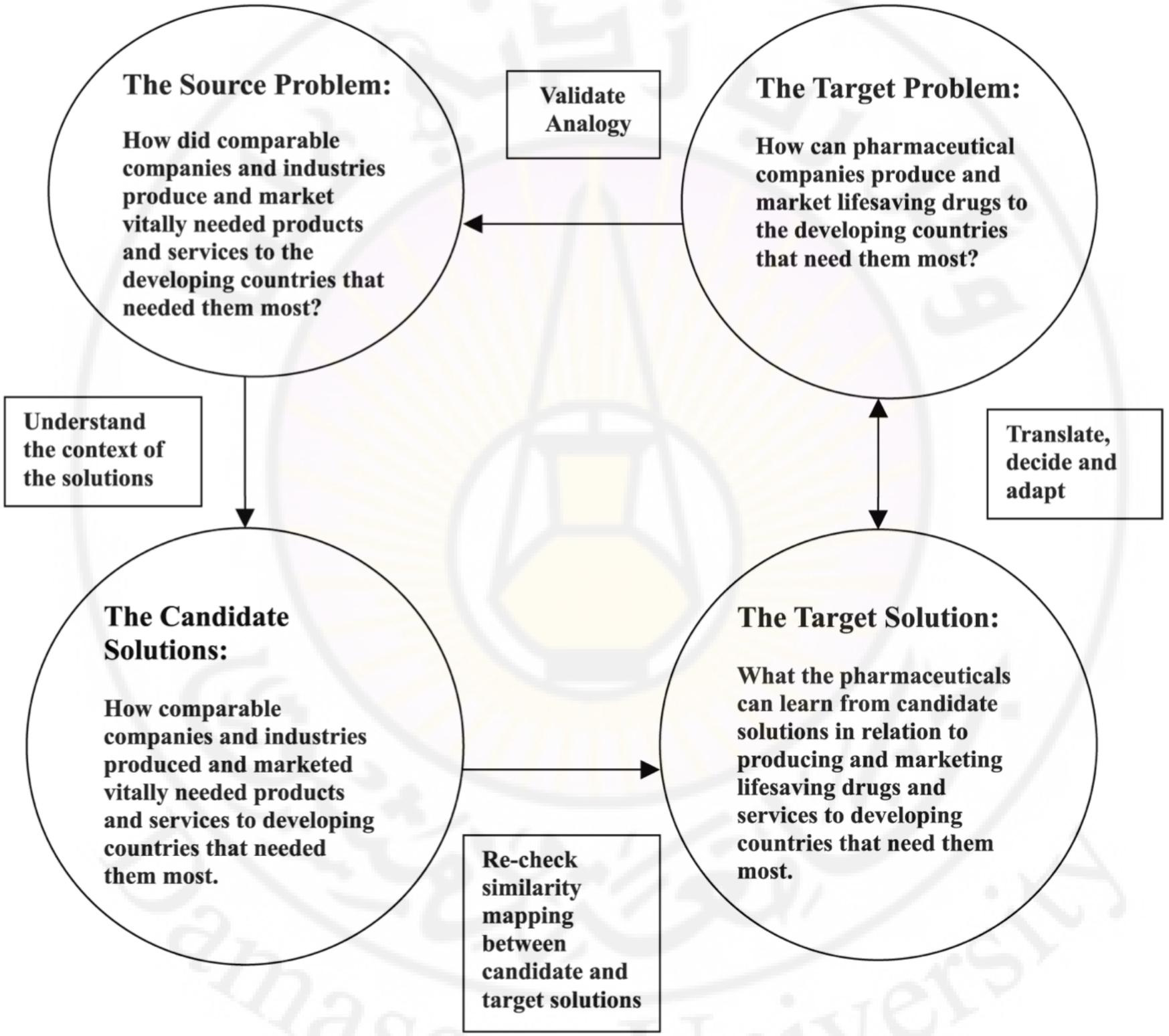
Differential pricing

Drug manufacturers engage in differential pricing or price discrimination for patented drugs. That is, they charge higher prices in markets with greater **willingness to pay and lower prices in countries with lower buying power**

Concluding remarks

The pharmaceuticals that sell higher priced drugs to the saturated markets of the developed world can expand the market for their products and services by **targeting low- income customers** of the developing countries. The developing markets, however, need to be carefully constructed and not simply entered.

The analogical model challenges pharmaceutical companies to **reengineer their products**, the production process and the marketing strategies such that the same product is distributed to a much larger market of the developing countries at prices they can afford, using the twin guideposts of profitability and humanitarianism. To be profitable, firms cannot simply compromise the products they sell to rich countries or to simply give them away. Instead, they must thoroughly reengineer products to reflect the **very different economics of the very different developing countries.** In this manner greater number will be served with a **"greater good" outcome but it will be on a basis of sound business not charity.**


The Source Problem:
How did comparable companies and industries produce and market vitally needed products and services to the developing countries that needed them most?
Validate Analogy
The Target Problem:
How can pharmaceutical companies produce and market lifesaving drugs to the developing countries that need them most?
Understand the context of the solutions
Translate, decide and adapt
The Candidate Solutions:
How comparable companies and industries produced and marketed vitally needed products and services to developing countries that needed them most.
Re-check similarity mapping between candidate and target solutions
The Target Solution:
What the pharmaceuticals can learn from candidate solutions in relation to producing and marketing lifesaving drugs and services to developing countries that need them most.

Does DTC mean “direct to court”?



FDA compliance requirements

- Advertising for prescription drugs must disclose certain information about the product's **uses and risks.**

- Ads must contain information about **risks and benefits in a "brief summary".**

- Recognizing the time constraints of broadcast ads, instead of a brief summary, a broadcast ad may include **only information about the major risks of the drug,** if "adequate provision" is made for the viewer to obtain complete FDA-approved labeling information about the product.

- "Adequate provision" refers to the concept of **providing ways for consumers to find more complete information about the drug**. (Most ads fulfill this requirement by including a t**oll-free telephone number, or web site address**, or advise viewers to see their health care providers.)

FDA compliance requirements

- Any ad directed at consumers, either print or broadcast, may not make any claim that **is not supported by scientific evidence**.

- Ads may **not be false or misleading, or omit material** (important) facts.

- Each ad must show "**fair balance" between the risks and benefits**. Risks and benefits must be presented with comparable scope, depth, and detail

- Pre-approval of DTC ads is not required, **but a copy of the ad must be submitted to the FDA** when the ad begins to run. However, the Agency will preview an ad if requested.

The FDA and direct-to-consumer advertising

Prescription drug ads may be broadcast on television or radio, communicated over the telephone, or printed in magazines and newspapers. Under FDA regulations, there are three categories of ads:

(1) Product-claim ads:

mention a drug by **name**
describe the condition it is intended to **treat**
describe the **risks and benefits** of the drug

(2) Reminder ads:

mention a drug by **name;**
but **do not say what it is used** for
need **not include risk** information

(3) Help-seeking ads:

contain information about **a disease, but do not mention a specific drug**;
need not include risk information

Critics contend that DTC advertising:

(1) Encourages **overuse** of prescription drugs.

(2) Encourages the use of **the most costly treatments**, instead of less expensive treatments that would be just as satisfactory.

(3) May cultivate the belief among the public that there is **“a pill for every ill”**.

(4) May contribute to the **medicalization of trivial ailments**, leading to an even more **over-medicated society**.

Critics contend that DTC advertising:

(5) May encourage patients to withhold information from their doctors or **try to treat themselves.**

(6) Can affect the dynamics of **the patient-physician relationship in negative ways**. Some physicians report it time-consuming "trying to talk people out of something they have their hearts set on"

(7) Often masquerade as educational tools, **but are more promotion than education; ads provide little information that not biased.**

(8) Are not fairly balanced as required by FDA regulations, and actually convey **30 percent more benefit information than risk information**

Critics contend that DTC advertising:

(9) **Present risk information in one continuous segment** rather than interspersed with benefit information, thereby reducing its impact

(10) **Did not change tone or speed when conveying risk information**, in order to convey different content

(11) Conveyed “adequate provision” information **(where to go for more information) entirely in text form,** making it much **less understandable** to those with limited literacy.

(12) Had SMOG scores that exceeded the maximum **eighth-grade** reading level **recommended** for material used with the general public. **College-level reading** ability would be required to **read the brief summary information**

Critics contend that DTC advertising:

(13) Showed several factors in the tested ads, which **increased reading difficulty according to the suitability assessment of materials** (SAM) method, including:

extensive information was presented which was **not essential** for consumers (for example, **pharmacokinetic data**):

lack of key **idea summaries**

use of **passive voice, complex sentence** structure and **technical vocabulary**

lack of illustrations for key ideas

lack of visual and typographic cues to highlight key content

use of **small type, long line** lengths and crowded layout

presentation of text **without sub-divisions**

Critics contend that DTC advertising:

(14) A patient-consumer might **not understand the admonition to "tell your doctor what other medications you are taking"** to mean that other medications could interact with the advertised medication.

(15) Drug firms have **tended to promote the sale of so-called "lifestyle" drugs**, such as Botox, which provide **higher profit margins**, leaving fewer resources devoted to the research and sale of drugs which are more medically necessary

Can it full fill its promise?

(1) Always remember that **your customer is a “patient”** before he is a “consumer.” If you approach advertising with this in mind, you will build credibility – **your most important asset** in any promotional endeavour. At the same time, you will be protecting your customer, and **avoiding liability**.

(2) Remember that any patient needs enough information about your product to make an “**informed consent**.”

Damascus University

Can it fulfill its promise?

(3) Make it a primary **goal to educate your patient- consumer**, **rather** than to merely **sell to him**. It is a change of perspective which will have many benefits.

(4) Make sure your drugs come to market **only after full testing**. Avoid the kind of **disaster** brought about by **Vioxx and Celebrex,** both of which leave their manufacturers facing **expensive litigation**. Adequate pre-testing to make sure the product was safe would have been less expensive in many ways, not the least of which is the appearance to the public of **the rush to market** of an unsafe drug in order to make huge profits.

Can it fulfill its promise?

(5) **Avoid creating a disease just to be able to sell a drug**. In the eyes of many observers, this is pharmaceutical marketing at **its worst**, and cannot be justified.

(6) Do more **than is required by the laws and regulations**. Your most important asset is **your firm's credibility**. Establish it; maintain it. A company which **acts ethically will avoid liability**.

Pharmaceutical marketing on the internet

Lower prices: lower drug prices in some countries, and lower overhead costs compared to “brick and mortar” pharmacies often result in savings compared to local pharmacy prices.

Privacy/anonymity: some customer feel more comfortable purchasing or asking questions **online**, for certain medication – as f **treating obesity, hair loss**

Convenience: for people in remote **rural areas**, or **old customers**

Medical information

The same organisation has also outlined the associated risks with the online purchase of medicines:

Some web sites **are not licensed pharmacies**

Some online pharmacies **do not adequately protect the privacy** of customers

Some online pharmacies do **not give their address and/or telephone** number, which reduces the possibility to contact them directly or to send a complaint

The transactional models used by online pharmacies

Model A. The customer is required to **send an existing prescription**, written by a licensed doctor, either by post, fax, or e-mail. The validity of the prescription is than verified by the pharmacist, who eventually **approves the online transaction.** After the customer pays using online systems, the **medicines are delivered to his/her address**.

The transactional models used by online pharmacies

Model B. The online pharmacies applying this transactional model ask **customers to register, and then to fill in and submit an online questionnaire** requiring information about the symptoms/disease of the patient, **his medical history**, and his/her specific level of responsibility Based on the **submitted information, a doctor prescribes a treatment**, and the online pharmacy sells the drugs to the patient.

Although remote medical consultations are legal in many countries, this model was strongly criticised in the professional literature for **failing to provide the required standards of healthcare**

The transactional models used by online pharmacies

Model C. This transactional model presents **the highest level of risk,** since the medicines are sold without prescription. These sites clearly indicate that the **responsibility for the selection and the purchase of drugs is entirely assumed by the buyer**. Usually these pharmacies attempt to limit the perceived risk by stating that **they are not selling and delivering any illegal drugs**. They are selling internationally, and their headquarters are **located in developing countries.**

The transactional models used by online pharmacies

Model D. These pharmacies sell only non-prescription drugs, including **vitamins, dietary supplements and homeopathic remedies**. Despite the lower risks presented by these medicines, there can still have secondary negative effects