

The reputation, image and influence of the pharmaceutical industry

Jane Parker

InterbrandHealth

These are challenging times for the pharmaceutical industry. Stakeholder trust, almost everywhere, is at an all time low. but the pharmaceutical industry seems to have set itself up for a very special kind of criticism that even the likes of tobacco and armaments have managed to avoid.

For the final quarter of the last century, the reputation, image and influence of the ethical pharmaceutical industry could not have been higher. The industry had an unassailable set of social, political, technological and economic credentials. The best and brightest graduates were attracted by a range of noble and altruistic ideals. This highly educated and highly motivated workforce had a unique "esprit de corps" that pervaded the entire industry and resulted in an outstanding range of new medicines. Its singleminded pursuit of integrity, in particular, was widely respected and its reputation, image and influence were without equal.

Now the industry suffers countless negative portrayals in the media and in popular culture. The onslaught has been unremitting, and when the industry is under constant attack from the likes of Michael Moore, Jay Leno, and even The Simpsons, one has to ask how it came to this and, more importantly, what can be done about it?

The digital revolution provides countless untapped opportunities for the pharmaceutical industry to recapture its positive image. Interactive solutions by pharma companies can be used to optimize patient-physician relationships, boost therapeutic outcomes, and of course get the product word out.

Perception vs reality

These constant attacks are based on a number of interrelated negative perceptions. Allegations include profiteering, over-priced medicines, excessive executive salaries, opulent corporate offices, and over-intensive sales and marketing activities. Moreover, critics highlight cases where promotional budgets exceed R&D budgets, and draw attention to what they claim to be exploitative, ruthless, and aggressive tactics. They add that poor R&D strategies have led to serious pipeline issues and that R&D has been based on market considerations as opposed to “real health needs,” resulting in a plethora of ambivalent “me-too” medicines, and that many important diseases areas and patient groups are being neglected. Another major criticism is that there has been a general lack of transparency and, in particular, a paucity of honest and credible information when asked simple and direct questions. In response, some within the industry continue to wring their hands and maintain that many of these negative perceptions are “unfair” and not based on “reality,” and that the industry is the “undeserving” victim of hostile media messages. Whatever the relative merits of these protestations, the true and harsh reality is that, today, perception is the only thing that matters. Though some now argue that perception is reality, it is what is now done about mistakes by individuals and by corporations and by the industry that will set it apart.

The collective challenge: To rebuild the trust

In brief, the reputation problem facing the industry is now too big for any one company to address. Therefore, in order to rebuild the trust the industry needs to work together—and quickly. Recent activities by individual companies and some national trade associations are admirable, but they have not been co-ordinated to achieve maximum benefit. The seriousness of the crisis facing the industry dictates that it should now speak with one coherent voice at a global level. That single voice should also be adequately resourced in order to match the scale of the problem the industry now faces. The industry’s many stakeholders continue to make their needs pretty clear and, in order to demonstrate that the industry is committed to satisfying those needs, it is vital that it re-establishes its reputation in a number of key areas.

Innovation

No one argues with the value of truly innovative medicines. They save and improve patients' lives, give new hope, and improve the quality of life by reducing the need for hospitalization and surgery. And they add value to national healthcare systems. Everyone depends, at some point, on pharmaceutical innovation for their wellbeing. The industry's contribution to innovation is a matter of record, but it is a story that is often obscured by other factors. Yet in reality pharmaceutical companies have interpreted the word "innovation" to mean different things. To some it means the discovery and development of new molecular and biological entities. To others it means pursuing line extensions, new formulations, and new delivery systems – in other words, incremental innovation. The real problem in pharmaceutical innovation, however, is not one of differences in definition. It lies in the general industry-wide practice of viewing innovation solely from a manufacturing perspective rather than from the perspectives of patients, payers and other stakeholders.

Pharmaceutical companies must, of course, continue to combine novel and incremental innovation in ways that optimise the medical and economic benefits to stakeholders. But they also need to listen to stakeholders and innovate in ways that addresses real stakeholder needs – as opposed to industry needs.

In addition the industry needs to showcase its commitment, not only to bringing new medicines to patients, but also to being part of the solution to create better health outcomes and services.

Biotechnologies, glycobiology, in-vivo imaging, monoclonal antibody technologies, nanotechnology, pharmacogenomics, product/ device combinations... the list of new innovations and, therefore, of new opportunities is significant. Targeted therapies and personalized medicines, for example, will require totally different approaches to development, production, and marketing. These personalized medicines will require new diagnostic techniques in order to identify patients groups, and monitoring and will necessitate the integration of drugs with diagnostics and prognostics. Innovative breakthroughs such as these make for exciting, optimistic media stories but the industry must always be careful to avoid over-claim and it needs to re-communicate its past – and future – research credentials.

Research and development

Similarly the industry will need to communicate a new, redefined approach to research and development. Pharmaceutical research is now more complex, more difficult, more expensive, and much more unpredictable than it ever was. In other words, the level of risk has increased dramatically. Stakeholders need to understand this. From the late 1960s onwards the larger pharmaceutical companies achieved spectacular growth by developing the blockbuster business model. That model, which shaped the organization and R&D strategies of many companies, is swiftly becoming out of date. With fewer and fewer traditional research avenues to explore, and with science becoming ever more difficult, more complex and, as a result, more expensive, the model is being recast. The majority of all new late-stage products in the research pipeline and the majority of all new product introductions are originating in biotech and small start-up technology companies. Outsourcing and in-licensing will, therefore, become absolutely central to the new industry order.

Impact

Awareness of the industry's social and economic impact needs to be re-established. An investment in healthcare is an investment in both society and the economy. Healthier nations are also wealthier nations and, consequently, a healthier world is also a wealthier world.

Honest and open dialogue

Finally, there can be no trust without honest and open dialogue, and a new spirit of openness is, possibly, the most important theme we need to communicate. Actually, it is much more than that. It is the basis for behavioural change across the entire industry.

All meaningful human relationships are based – and built – on trust. Trust, or lack of it, is an emotional response that is the summation of everything that happens within a relationship. Therefore, any new relationship will need to be truly built on solid and genuine trust. And that requires honesty.

Also, it must be accepted and understood that the pharmaceutical industry is unlike any other. Pharma is different in that it has a more involved and more demanding set of relationships with its stakeholders. Medicines are central to the survival and wellbeing of billions of people. The emotional involvement people have with medicines and with the companies who make them, and with the industry as a whole, is both intense and complex because they affect their very existence.

Getting connected

Patient education and communication is therefore a key area where honest and open dialogue needs to take place, as does a meaningful two way relationship. The digital evolution provides untapped opportunities for doctors and patients to communicate in an efficient and comprehensive way. The role of a pharmaceutical company has traditionally stopped at the point of prescription. In future, pharmaceutical companies will need to play a more active role in ensuring that their drugs are completely understood by patients – and used appropriately – over the course of their treatment. Today the efficacy of a drug is demonstrated in clinical trials, where all appropriate steps are taken to ensure the highest rates of patient compliance. However, in the “real world,” compliance rates are very low. The World Health Organization estimates average compliance rates at only 50% for drugs used to treat chronic diseases.¹ Others have put that rate as low as 30%.²

To ensure that compliance is maximized, and to achieve optimal outcomes, pharmaceutical companies will need to make stronger commitments and provide patients with superior support during their treatment. Patient support programs will not only guarantee that drugs are used in an appropriate way, they will also help pharmaceutical marketers enjoy the full customer value throughout the treatment lifecycle, and establish competitive barriers through value added services around their products.

For example, patient relationship management software that allows the sharing of personal treatment data between patients, physicians, and treatment nurses – either interactively over the internet or when visiting patients at home – will enable physicians to remotely monitor their patients online, in between consultations.

The digital revolution provides countless untapped opportunities for the pharmaceutical industry to recapture its positive image. Interactive solutions by pharma companies can be used to optimize patient-physician relationships, boost therapeutic outcomes, and of course get the product word out. Physicians will increasingly rely on these tools to provide their patients with the education and support they need between visits – something they simply can not achieve today, because of time and financial constraints. Another benefit of new technology is the ability to educate patients in an individualized way. Pharmaceutical companies now have the means to look beyond traditional websites and actively engage newly prescribed consumers in Q&A dialogues with healthcare professionals to get their questions answered. We know that healthcare information is the number one reason for internet use, and so it should be possible to harness that interest. Why not, for instance, have a pharmaceutical industry sponsored site that provides annotated patient-friendly PI's on all approved drugs in one easy-to-grasp format? This format would be common across all companies and therapies.

And, for those without internet access, what about summarizing that patient-friendly information and printing it directly onto the pack itself? This would give immediate access to a drug's efficacy, safety, tolerability, as well as its indications. If patients have the drug in their hands, then they would also have the information they need, right there, in their hands, too.

Why not establish the industry as the resource leader for healthcare information for both professionals and consumers? Immediate tactical innovations such as these will allow meaningful and trusting relationships to be rebuilt and sustained, and would demonstrate a real and binding commitment to patient health and education across the industry, and across the planet.

It is very fortunate that our industry is populated by people who genuinely care. And that, above all else, needs to be communicated, loud and clear.

Bibliography

- 1 World Health Organization (2003). Adherence to longterm therapies: evidence for action. Available from: http://www.who.int/entity/chp/knowledge/publications/adherence_full_report.pdf
- 2 Magee, M. (2004). Improving Patient Adherence: A Consumer Empowerment Challenge. Health Politics, http://www.healthpolitics.org/media/prog_70/slides_prog_70.pdf, accessed 6th March 2007.

Patient education and communication is a key area where honest and open dialogue needs to take place, as does a meaningful two-way relationship.

Jane Parker

Jane Parker is CEO of InterbrandHealth. She is renowned for her championship, within the pharmaceutical industry, of the concept of consumer branding, and some of the more successful strategic marketing approaches that were endemic to the experience and expertise that she had established in the consumer world. Prior to taking up the global leadership of InterbrandHealth, Jane was President of Grey Healthcare, where she transformed the business into a several hundred strong team, representing the majority of the leading health companies. Having previously held senior positions at Saatchi & Saatchi Healthcare, and at companies including Johnson & Johnson, Bristol-Myers and Colgate-

Palmolive, Jane's expertise encompasses creating and implementing global advertising and marketing plans, leveraging existing brand equity into new market segments, launching new products and revitalizing mature brands. Jane is a regular speaker at conferences and sits on the advisory council of the European Healthcare Businesswomen's Association. Jane holds a BA in Art History and Economics from Goucher College and has spent time at the Sorbonne in Paris. She is a Trustee of the American Foundation for the Blind, on the marketing advisory board of the Visiting Nurses Service and a marketing advisor to Guiding Eyes and lives in New York. Jane can be contacted at: jane.parker@interbrandhealth.com

First published in *The Journal of Medical Marketing*, 2007