

THE CHANGING FACE OF PHARMA! A MULTISTAKEHOLDER APPROACH TO SUSTAINABLE LEADERSHIP

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Corporate reputation of Pharma 2013

Industry 2013 rankings

- 1st. Retail pharmacists, 61.9%
- 2nd. Medical-device companies, 54.9%
- 3rd. Healthcare services (private sector), 51.1%
- 4th. Health insurers (not-for-profit), 42.8%
- 5th. Generic drug manufacturers, 41.5%
- 6th. Biotechnology companies, 40.6%
- 7th. Multinational Pharma companies, 35.4%
- 8th. Health insurers (for-profit), 26.7%

This independent study, funded by PatientView, represents 800 patient groups' latest impressions on the corporate reputation of 33 individual Pharma companies and of the Pharma industry as a whole

Challenges facing the Pharma industry

- There is a genuine trust deficit in the industry
- There is a genuine lack of transparency on documentation
- Reliability of clinical trials data is a big concern
- Healthcare costs are zooming high, placing pressure on payers
- There is not a very big pipeline of future drugs
- Traditional Pharma will not last long, there is a paradigm shift happening at a really fast pace

Pharma is getting rebranded: Emergence of a consumer led market

- Healthcare is moving from prescriptive to preventive to predictive. Inexpensive gene sequencing and genetic testing will become mainstream for cure
- Consumers today demand real outcomes and efficacy not promises!
- Consumers are questioning their doctors on the prescriptions
- Consumers wants new therapies that are clinically and economically better than existing alternatives
- Consumer society and internet are going to be the two big drivers! This makes them powerful and unforgiving
- Pharma company's relationship with consumers will continue for the duration of the patient's treatment.

Scope of communication in Pharma

- **Communication aimed at selling or promoting drugs**
- Education and trainings of internal and external stakeholders on diseases and treatments
- Listen to what patients have to say about diseases and how they manage them
- Seek real time patient and HCP feedbacks in addition to clinical trials
- Answer patient and HCP queries in a seamless way
- Provide accurate and complete information on drugs in a simple, easy to understand way
- Patient forums that foster discussion between patients giving each other advice, opinions and support
- Communication that facilitates better patient compliance

THIRTEEN BIG TRUTHS THAT PHARMA COMMUNICATORS MUST ACCEPT

Challenges in Pharma communication

Thirteen big truths that communicators must accept

TRUTH 1

The overall industry brand image is not very good and communicating in such a market is always going to be challenge as you are almost always going against the tide

Challenges in Pharma communication

Thirteen big truths that communicators must accept

TRUTH 2

A lot of communication that goes on is based on assumptions, high quality market research data is hard to come by in most cases. As a result, pharma companies don't know what to say and whom to talk to

Challenges in Pharma communication

Thirteen big truths that communicators must accept

TRUTH 3

Getting attention is not easy in Pharma due to two reasons: a highly competitive environment and too much data and information that patients and practitioners are faced with

Challenges in Pharma communication

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TRUTH 4

Pharma companies spend very little effort in getting the brand positioning right for the company as well as the new drugs they launch

Challenges in Pharma communication

Thirteen big truths that communicators must accept

TRUTH 5

Communication in Pharma is often single minded and focused on short term goals. Alignment of communication objectives for each stakeholder is not a very scientific process yet

Challenges in Pharma communication

Thirteen big truths that communicators must accept

TRUTH 6

The approach that works in Germany many not work in Russia, USA and India even though the patient profiles may be similar

Challenges in Pharma communication

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TRUTH 7

Communication, especially in Europe and Asia is highly regulated for prescription drugs. Direct promotions are often not allowed or heavily penalized by law

Challenges in Pharma communication

Thirteen big truths that communicators must accept

TRUTH 8

There is a major disconnect between what Pharma companies want to communicate and what the audience listens

Challenges in Pharma communication

Thirteen big truths that communicators must accept

TRUTH 9

Crisis communication is not easy in Pharma because of the speed at which negative news can flow today due to new media

Challenges in Pharma communication

Thirteen big truths that communicators must accept

TRUTH 10

Changing relationships with doctors - In June, for example, AstraZeneca announced that it would no longer pay for doctors to attend international conferences

Challenges in Pharma communication

Thirteen big truths that communicators must accept

TRUTH 11

Media coverage on Pharma is usually explicit in its criticism which further compounds the problems in communication and puts you on backfoot

Challenges in Pharma communication

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TRUTH 12

There are no defined parameters for measuring success of communication initiatives in Pharma

Challenges in Pharma communication

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TRUTH 13

Often the objectives of Pharma communication initiatives are not very well defined. Is it Sales, Profitability, Share price, Trust or Brand Equity, Awareness?

PHARMA IS UNDERGOING A
TRANSFORMATION AND SO IS THE WAY
WE COMMUNICATE. WILL PHARMA
DRIVE THE WAY WE COMMUNICATE OR
VICE VERSA?

What do pharma companies need to do in order to communicate better?

- Focus on communication that builds relationships and trust not only short term goals like sales and investor objectives
- Talk right
 - Usher in more transparency in the communication
 - Provide complete and correction information
 - Focus on simplicity in communication
- Listen more
 - Be willing to listen to determine consumer insights
 - Manage reputation by proactively listening to consumers

Solving the positioning challenge – The 5As of Pharma companies that will succeed and sustain

- Accessibility
- Ability
- Affordability
- Acceptability
- Accountability

DIFFERENT STAKEHOLDERS
DIFFERENT EXPECTATIONS
DIFFERENT APPROACHES

Healthcare payers want reliable data. Give them that.

- The industry has to convince healthcare payers of the reliability of its data and that could be an uphill struggle
- **Only 5% of the US health insurers surveyed are very confident of the quality of the economic data pharma companies provide, and only 7% are very confident of the quality of the information they receive on a drug's comparative effectiveness**
- Traditional clinical trials will give way to real world evidence on effectiveness of drugs and treatments
- For this, pharma companies needs to go outside their walls and study data from EMRs, patient compliance data, etc. **The number of pharma companies that measure the patient experience is still very small**

Healthcare practitioners want less

- Doctors are bombarded with too much data each day, not just about medicines but also diagnostic reports, new methods of treatment, new equipment, more intelligent and knowledgeable patients
- Focus on simple, clear and focused promotional material
- Develop interesting ways of communicating complex data, using smart visuals

Patients want and need to be listened to

- Pharma companies need to bring the consumers at the center of their research and development. They need to listen to patient experiences more closely
- Every patient experience now generates rivers of data which, if pooled intelligently, can trace a detailed portrait of a patient's health, disease states and patient populations
- It is also important to capture the patient perspective from as many sources as possible. Social media can be a rich source of information here – and the number of people using such outlets will only increase

Sanofi recently tied up with pharmacy benefits manager Medco Health Solutions to get 'real-world' insights into how different therapies compare when used in a normal clinical setting.

Patients want and need to be listened to

- Online patient groups and blogs provide an opportunity to listen to patients talking openly about their experiences. Several firms have already set up disease-specific communities and sell the insights they collect. With new technologies for processing natural language and analysing unstructured data, it's also getting easier for pharma companies to monitor the digital grapevine themselves
- Patients in the mature economies have higher expectations than ever before. They want medicines for conditions previous generations simply endured. They want medicines that work for them. And they only have to turn to the Internet to find out what's available – or, indeed, to broadcast their opinions

16% of US adults in one recent survey said they post reviews of the treatments they take on social media sites.

Regulators want to be understood well

- Regulators are becoming more proactive as they are setting even more stringent controls and procedures for drug approvals
- Listen to them more and understand what their expectations are and provide them exactly that in a clear and transparent manner

The community wants companies that matter

- The community is becoming more and more judgmental and vocal about the actions of pharma companies
- You need to engage the community by listening to them, understand their healthcare concerns and offer solutions that improve them (even if it is not your core business)

Some important trends that will drive pharma communication of the future

- Purpose-led branding rather than product-led branding
- Mobile, Data Analytics and Social Media will play a big role in helping pharma companies come closer to their consumers
- mHealth apps store Happtique has, for example, launched a pilot programme that lets doctors prescribe apps as part of an overall healthcare package
- The 'gamification' of healthcare has a different end: encouraging people to lead a healthier lifestyle by making it fun. Nintendo's Wii Fit video game is probably the best-known example of this approach

What stops pharma companies from participating in them in creating games in collaboration with Nintendo?

Some important trends that will drive pharma communication of the future

- One way of improving consumer communication and fostering trust through regular engagement with consumers is by exploring the services model. In June 2010, for example, Pfizer launched a **vascular health check service** in British pharmacies
- Similarly, GlaxoSmithKline (GSK) has linked up with specialist technology provider MedTrust Online to offer an **iPhone app that lets US oncologists search for clinical trials by cancer type** and automatically identifies the trial centres nearest their patients
- Meanwhile, Boehringer Ingelheim is piloting a **digital health management service for patients with diabetes**. It combines a personalised action plan and digital coaching with wireless monitoring to measure the impact of behavioural changes

Some important trends that will drive pharma communication of the future

- Pharma companies are organized: by brand & function, rather than around customer groups, leading to a siloed vision and execution. There has to be more focus on well defined customer groups in order to communicate effectively
- Patient advocacy groups

***“A global survey from Britain estimated that two-thirds of all patient advocacy groups and health charities now rely on funding from drug companies or device manufacturers. The most prolific, according to survey results, is Johnson & Johnson and number two is Pfizer.*”**

Some important trends that will drive pharma communication of the future

- Accountability are going to play a big role in new age communication strategies for pharma companies. Today, if a prescription drug doesn't do what it was intended to do, the blame goes to the doctor for not prescribing correctly not necessarily the pharma companies
- Socially acceptable terminology. Initials, loosely called acronyms, as stand-ins for disease names are showing up more and more in advertising and helping patients and drug companies alike.

Lynne Mansueto, of Hollywood, Fla., has suffered from irritable bowel syndrome or IBS for several years and prefers the medical shorthand. She says, "IBS is more palatable and socially acceptable."

She says commercials and online advertisements often use the term IBS as a way of normalizing an otherwise awkward sounding disease.

Some important trends that will drive pharma communication of the future

- Communication should not be created in or to just build trust. Rather, it should be used to communicate aspects about the brand that fosters trust, e.g., providing detailed and transparent information on the benefits as well as the side effects
- Pricing policies, integrity and management of adverse event news can also be used as effective tools in improving trust of pharma companies.

Nexgen Pharma leaders will focus on

- Patient centric or inclusive communication
- Transparent communication
- Stick around (or don't ditch) communication
- Communication with ears not just a mouth
- Communication that accepts criticism graciously
- Responsible communication
- Communication that benefits patients and is not just news

“Branding is
the opposite
of Chaos”



धन्यवाद

감사합니다 Natick

Grazie Danke Ευχαριστίες Dalu

Thank You Köszönöm

Спасибо Dank Gracias

谢谢 Merci Seé
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Obrigado

THANK YOU

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