

Darwin Debate Fourth Meeting Report

Digital Communications in the Pharmaceutical Industry: Adapt or Die?

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Following on from our last meeting, representatives of different specialties within pharmaceutical companies (marketing, communications, regulatory and digital) joined forces in February 2011 to plan a 'second life' pharmaceutical company.

The objective was to discover what would be done differently if a new entrant was launched into the industry tomorrow; how it would approach company organisation to meet the needs of modern marketing; and what lessons could be learned from this new approach.

Introduction

The purpose of the exercise was to develop a model for a new pharmaceutical company which would be able to operate more freely in a digital world.

While some discussion was had about possible changes to the world in which pharmaceutical companies operate (including the possible demise of the NHS) it was decided that for the sake of the exercise it must be assumed that the outside world remains as it is in February 2011.

It was also agreed to focus on the UK operation of a company and not on how structures would need to adapt to different countries' health systems within the global marketing framework.

The ultimate aim was to see whether there were lessons to be learnt for current companies and whether changes could be made in existing structures to aid business development supported to a greater degree by digital communications.

Digital communication was classified as anything that is enabled through the web or a mobile device.

Contributors

The discussions reflect the views of participants drawn from marketing, regulatory and communications functions from companies including Novartis, Sanofi Pasteur MSD, Bristol Myers Squibb and GlaxoSmithKline. They are the individual opinions of the participants and do not necessarily reflect the views of the companies they work for.

The Darwin Debate is an ongoing series of listening exercises and discussion meetings hosted by the Red Door Communications Group to explore the opportunities and challenges posed by social media and digital communications for the UK pharmaceutical industry. Since the first round table meeting in July 2010, 79 individuals working within marketing, communications or medical-legal and regulatory functions for UK pharma companies have participated in the initiative. If you would like further details about the Darwin Debate initiative, including copies of the reports from previous meetings, do please contact Julia Harries on 020 8392 8044 or jharries@rdcomms.com



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Where to begin?

Contributors observed that there was no set organogram outlining a standard framework for a pharmaceutical company – they are all organised slightly differently and have their own individual structures.

However it was agreed that most current pharma companies are structured around therapy areas, although some are divided more simply into primary and secondary care. Either way companies tend to be disease and customer-led.

The group decided that their new pharma company should change this and be much more **focused on the end-user (patient)**.

Contributors reflected on how in Fast Moving Consumer Goods (FMCG), company names are used as brands with a series of products beneath. It was acknowledged that pharma companies' corporate marketing was generally poor in comparison or not a priority versus product marketing/branding.

The group thought that a **new company should** be structured and marketed so that it could **trade on its corporate heritage** more, enabling the patient to form a relationship with that company more easily rather than an individual product/ portfolio.

It was agreed that in adopting a patient perspective, the new company should **clearly state** what **its values** are and operate within them. The company would then develop a strong competitive position through its values and ethics, living and breathing them.

Today, patients and other stakeholders (e.g. NGOs) have a fairly negative, sometimes sceptical, view of the pharmaceutical industry. Demonstrating values, such as the ones outlined below, are required to change this perception.

New pharmaceutical core values:

- Ethical
- Transparent/positive thinking
- Driven by science and technology/ clinically based
- Forward-looking
- Brave/proud
- Collaborative

Delegates supported the concept of collaborative working with shared risk/ responsibility agreements with customers/ payers.

It was also observed that the original industry code of practice was a sheet of values which have subsequently developed into a comprehensive and arguably over-complicated rule book based on complaint cases.

Keeping the values list relatively short should help the pharma company to go back to its basic principles and ease the feeling of being over-regulated.

Value-based pricing was also supported with products value assessed in terms of life years and the associated services that the company could provide to patients.

It was acknowledged that current clinical trials are not geared up to provide a health economic argument for a new drug and sometimes there is not a UK trial list. It was therefore suggested that the new company would always conduct 'seed trials' at Phase IV of a product's development in order to prove the value to its patient community.

Even though the patient and not the customer would become the new company's focus this would not mean disbanding the sales force. The new pharma company would still need to communicate with healthcare professionals and a lean, targeted group of sales people would therefore be required.

In order to justify bypassing the customer/payer the new pharma company would need to develop an argument to present to its shareholders to demonstrate that going direct to the patient would improve outcomes and value. It would also operate within the original 'values' laid down by the code.

It was also deemed important that the new company gleaned as much information as possible about the patients on its products so that it could tailor value-added services to their needs.

One delegate suggested that profiling behaviour and segmentation of patients might ascertain their behavioural style and what can be done to help them get the most from their medicines. This was seen as something that could be developed and operated online, and form a framework for truly tailored communications.

The concept of correlating data so that patients could benefit from personalised medicine was seen as central to a new patient-focused pharma company. It was agreed that anybody who takes a medicine wants to feel better and be confident that the treatment they are on is the best one for them.

First steps to restructuring

One delegate suggested that as most current MDs and CEOs boast long careers in the pharma industry, for the sake of progressing change and putting the patient first, having senior management from a different industry background but focused on the end user might be beneficial.

There was some discussion about the impact of existing 'Global Departments' on the new UK pharma company and it was agreed that blanket involvement on a regional basis was unnecessary. The group suggested that in its new model 'Global' would be responsible for Research and Development and would not dictate branding.

Contributors also agreed that the success of the new company would depend on good communication and so the communications department should be an area of investment.

"It's not about selling a drug it's about how we communicate".

The new company would also have an 'insight' team who would research and collate information about patients and provide data-driven communications about what the patient wants and where potential spend is for a specific product.

There would also be a patient adherence or behavioural science team analysing the behaviour of the existing patient base.

There would still be a clear role for procurement and payer relations to make sure that the market was ready for the introduction of a product and that market access for the patient was secured.

Teams responsible for licensing came under much discussion and it was agreed that the goal should be to develop regulatory people with a commercial insight. At the same time all employees should have regulatory responsibility rather than relying on a 'code guru' to pass judgment on their communication plans.

This was seen as crucial for digital activities where the new pharma company would need 24/7 response cover. Up-skilling the whole team to be less reliant on compliance was therefore seen as vital.

One delegate suggested that the new company should reflect a 'can-do' approach to communication (rather than a 'can't do because of the code' – whether this is justified or not).

Equally, contributors felt that in the current climate internal regulations were more of a threat to creativity in communication than anything else. Lack of true awareness and understanding of the code was identified as something that needed to be redressed.

Delegates agreed that at their new pharma company everyone would be taught about existing national regulations. A number of delegates felt that giving everyone sign-off power (perhaps to different levels) would empower everyone in the business and engender an environment of trust.

Communications

Contributors discussed the nature of the new company's communications with both patients and customers. It was agreed that the most important thing was to be clear in all communications - the challenge was to speak *with* people, not at them.

Profitability

Using the newly-established Insight team the company would develop value-added services attached to its products, so that the introduction of the product would be accompanied by a reduction in service costs.

The benefit of outsourcing services to third-parties was also discussed, to keep head count and fixed costs low. For example, at launch the only people needed in-house were the regulatory team to licence the product, the Insight team to know where it should go and the communications team to produce collateral – other roles required for initial sales impact could be outsourced.

Delegates wanted to keep the new company agile and entrepreneurial recognising the fact that people have skills other than those relating to their jobs and maximising these where possible.

Agreed characteristics of the new pharmaceutical company:

- Focus on patient, less on customer, and structure accordingly
- Abide by and demonstrate core values to end users:
 - Transparent
 - Ethical
 - Clinically-based
 - Forward-looking
 - Brave
 - Collaborative
- Investigate value-based pricing, calculating life years and associated services
- Global to influence Research and Development, regional to influence branding
- Include UK seed trials at Phase IV
- Market on company brand as well as product name
- Analyse, profile and segment patient behaviour
- Deliver data-driven communications to allow for personalised healthcare
- Cultivate in-house code awareness where all staff demonstrate knowledge of the code
- Redistribute sign-off responsibility and accountability to all
- Develop value-added services to increase profitability and NHS savings
- Outsource non-essential services