

What's your next move?

Get ahead of the current shift in pharma marketing by promoting not just the product, but patient outcomes.

The life science industry has a long history of driving innovation through scientific progress in the forms of new treatments, devices and services related to health and wellness. Much has been written recently regarding the shift from closed internal Research & Development (R&D) efforts to open collaborative platforms with expert partners such as academic centers, other industry partners, professional associations, and even patient groups. The life science industry has seen the need for change in R&D and is collectively taking action to completely change the approach to scientific advances.

Yet for an industry so steeped in cutting-edge science and technology, why is its approach to marketing still so staid, inflexible and irrelevant? There is no clearer example of this phenomenon than the ongoing debate about digital marketing efforts in the life sciences. Industry watchers, along with industry marketers, have been lamenting for years about the need for greater digital prowess in marketing efforts. In fact, there is an entire cottage industry of annual conferences focused on exploring the range of digital tactics from internet-based advertising and search engine optimization to mobile and social media. Yet, despite this recent attention on the gap in digital capabilities, there are few examples of true innovation among marketers in the life sciences.

Why is it that the life science industry can self-diagnose its R&D illnesses and reinvent the

product pipeline model but not demonstrate the same approach toward marketing innovation?

Some dismiss the R&D shift as talk with little substance, others complain that the highly controlled regulatory and legal environment is to blame for stifling innovative marketing, and still others point out that this industry has been and always will be a scientific widget-driven industry and that marketing will always be a low priority compared to the latest major scientific breakthroughs.

While each of these positions may have some nominal validity, we believe the true root cause of digital deficiencies in the life science industry is grounded in a fundamental misunderstanding of the evolving role of marketing. Until this is addressed, no true progress will be made.

Marketing in life sciences

Historically, life-science marketing has been focused on the features and benefits of the latest scientific advances and why treatment or device A is better than treatment or device B. This basic product approach led to marketing efforts that were simple models of “push promotion,” or mass advertising of commercial messages in the form of sales professional details, branded websites and branded direct to consumer advertisements. These tactics constitute the primary marketing communication platform for the majority of companies in the industry today.

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Unfortunately for traditional brand managers, in today's world of healthcare and chronic disease management, single product-based approaches simply don't work anymore. There are numerous strong brands in many categories that have shown little progress in terms of improving overall healthcare—in today's healthcare world of transparency and outcomes accountability, this situation is not sustainable.

Why the shift? Data. We now live in a world with a substantially greater quantity and quality of data, so the amount of transparency and the ability of payers, providers, and patients to compare outcomes has never been greater. Web 2.0 and 3.0 movements are also driving this. In the old marketing environment, we could not be sure

what would work or not work, so the old marketing model was sufficient. But in this new data rich, high connectivity environment, the old marketing model is increasingly laid bare. More and more, payers are examining outcomes to assess the value of their healthcare investments.

Complex products & patient-centricity

Life science leadership needs to shift from marketing brands to measuring and promoting outcomes as measured by clinical improvements, improved social and economic returns, and increased patient satisfaction by addressing patient's true needs.

To develop patient-focused healthcare solutions and treatments that effectively encompass the total physical, mental, and psychological needs of patients, the pharma industry will increasingly need to embrace the concept of the “whole product”. The concept not only includes, but also goes beyond developing new molecules. A whole product has a drug therapy at its core but includes a number of intricate, interconnected and mutually reinforcing parts delivered through a sophisticated, patient-centric approach with the primary objective of better health outcomes.

From a digital media perspective, elements of the whole product include, but are not limited to, online video, blogs, facilitated and interactive online discussion forums, content portals, an online encyclopedia of simple definitions, and a social media presence on sites such as Facebook and Twitter. Other interconnected products/ services include integrated medical devices, Big Data, the promotion of OTC drugs (which the FDA is increasingly encouraging) to increase treatment access, referrals to mental health counselors and collaborations with dieticians and fitness instructors—depending on the indication, utilizing personalized medicine.

Case study: Success, failure and the challenge of new technologies

The profits and the perils of embracing or rejecting technology are vividly displayed by considering two of the greatest technology companies in U.S. history: IBM and Kodak. From a profit perspective, in the early 1990s, IBM reinvented itself as an e-business. During the 1980s, IBM was on the brink of bankruptcy, trying to cope with the quickly shifting transformation to the personal computing era. IBM transformed from being the lumbering giant in the faltering mainframe franchise to providing innovative e-business services. Today IBM is a highly respected leader in R&D, services and technology. From the peril perspective, in the early 1990s, Kodak failed to embrace the shift to digital cameras. During most of the 20th century, Kodak held a commanding market share in photographic film, capturing over 90% of U.S. photographic sales in 1976. Such was its ubiquity that Kodak's signature line, "Kodak moment," diffused to the popular culture. Although Kodak invented the core technology used in digital cameras, its delay during the 1990s in shifting from photographic film to digital photography proved fatal. Early in 2012, Kodak filed for Chapter 11 bankruptcy protection.

The goal of the whole product is exceedingly simple: better health outcomes and improved lives for patients. Developing a comprehensive whole product will require that companies develop innovative alliances and partnerships that go beyond having world-class R&D capabilities. Innovation is more than just drug development and filling pipelines. There also needs to be innovation in patient services. This new strategy will involve a continual learning process, with refinement and tweaking along the journey.

The companies that will survive and prosper in the future will develop deep strategic marketing capabilities to assist providers, payers, and policy-makers in managing specific population segments to deliver specific outcomes. Treatments, devices, and services will become tactics in larger healthcare solutions to deliver these outcomes instead of being the sole focus of marketing efforts. This outcome orientation, or value-based care, represents a fundamental transformation of the conventional commercial model and of traditional marketing strategies, and to effect this change, the life science industry must leapfrog from digital deficiency to digital leadership.

Big pharma as digital pharma

What will this shift from traditional marketing to outcomes promotion look like in terms of digital investments?

In the future, healthcare will combine population health goals and information science. Companies will need to learn the specific characteristics of key population segments and be able to parse genetic, genomic, and common phenotype data to predict and track therapy efficacy. Outcomes transparency is already becoming table stakes for many private and public payers, and being proactive by providing relevant information to—as well as receive information from—patients, providers and payers will reinforce good therapeutic and economic choices.

To assume this central role, companies will become highly adept at connectivity, data analysis and collaboration. Digital will become the backbone, connecting patients with each other and with their care teams; and providing the communication platform for brands to easily share real-time feedback on disease management strategies with providers and their patients. As importantly, providers and patients will be able to, in return, share data, information and insights with life science companies and disease researchers. The previously one-way relationship in our healthcare ecosystem is going to give way to a two-way relationship facilitated by the digital backbone.

In this digital environment, social media will connect communities of patients to provide a clear voice representing the true consumers of healthcare. In global growth markets such as India, China and Brazil, it's often these online patient communities that unite to lobby for the latest therapies. Mobile technologies will reach both broad populations and niche patient segments needing access to care along with assistance in making the right choices, and social media and digital marketing will create channels for patients to exchange valuable clinical information.

Cloud-based technologies will rapidly collect and analyze multiple data sources to identify and remediate outliers while also predicting trends within risk groups to better allocate resources for care. Data analytics will uncover real world needs for product development consideration and provide payers and providers with what will soon become mandated outcomes evidence.

In this emerging future, the science of social networks and big data will share equal focus with the science of chemistry, biology and physiology. Biologists and chemists will share the dais with mathematicians and entrepreneurs.

All this work can be done on open communication platforms with full transparency to ensure that all legal, regulatory and compliance obligations and standards are fully met. Life science industry leaders will become strategic enablers of important advances in care that will benefit patients, providers and payers. But to enable this leadership role, digital expertise will need to become a core capability of life science companies, influencing how they think, work and serve in their communities. Marketing will shift from the traditional four Ps to the principles of connectivity, integration, collaboration and acceleration.

Selling better outcomes is a mission of which the life science industry can be proud. Value-based care is an equally important approach to delivering long-term business results, an approach that industry leadership must embrace today.

About the Co-author

David Ormesher provides leadership and direction for closerlook, inc., a digital marketing agency serving the pharmaceutical industry. Since founding the company in 1987, David has created a rich, cohesive culture at closerlook by maintaining a hands-on approach to building client success and sustaining lasting account relationships. He has guided the growth and evolution of the firm, attracting a world-class team of account, strategy, user experience, design, technology, data analytics and relationship-marketing services experts.



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David is a frequent speaker at marketing conferences and a recognized thought leader in the areas of interactive and relationship marketing for the pharmaceutical industry.

In addition to his entrepreneurial leadership, David is also active on several non-profit boards. He serves on the boards of the Lyric Opera of Chicago; i.c.stars, an innovative business and leadership training program for inner city youth; and is a founder of Bigger Future, a social-enterprise building the capacity of high-potential entrepreneurs in Rwanda. He is also an adjunct professor at the Illinois Institute of Technology Stuart School of Business where he teaches Customer Relationship Management.

Want to continue this discussion? Get in touch with DAVID ORMESHER at dormesher@closerlook.com.

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