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## 11TH ANNUAL REPORT ON DTC

# THE NEW FACE OF CONSUMER ADVERTISING

**More targeted, direct-to-patient promotion is the future of consumer advertising as the industry attempts to recover from a public perception problem.** BY MED AD NEWS STAFF

Even as direct-to-consumer promotional expenditure reached an all-time high in 2004, the future of the DTC market is in question. Pharmaceutical marketers spent $4.51 billion on prescription-drug, nonbranded, and Website consumer advertising in 2004, an increase of 24.8% compared with 2003. The 2004 total includes $4.15 billion spent on prescription brands. Analysts, however, have cited that the market withdrawal of high-profile products like **Merck** & Co.'s **Vioxx** and **Pfizer** Inc.'s **Bextra**, the suspension of Pfizer's DTC campaign for **Celebrex**, and a variety of business, regulatory, and consumer trends are forcing marketers to rethink the use of DTC promotion. A shift from mass-marketing campaigns to more focused direct-to-patient programs is expected.

There were more than 150 prescription drugs promoted to the general public last year, about the same as in 2003. For the third year in a row, the product most advertised to consumers in 2004 was the gastrointestinal drug **Nexium**. Marketer **AstraZeneca** spent $223.7 million promoting this medicine to consumers, representing a 13.1% decrease compared with its 2003 expenditure. Coming in next in the gastrointestinal category was **Zelnorm**, the No. 5 product in consumer expenditure overall. **Novartis** spent $146.4 million promoting Zelnorm to consumers. This was an increase of 175.1% compared with 2003 (see table on page 26).

**Prevacid**, which competes with rival proton-pump inhibitor Nexium for the treatment of conditions such as gastroesophageal reflux disease, erosive esophagitis, and *Helicobacter pylori* infection, was the sixth-highest product in consumer expenditure for 2004. Marketer **Tap Pharmaceutical Products** Inc. (tap.com) spent $127.5 million marketing Prevacid to consumers, a 4% decrease compared with 2003.

Zelnorm is a 5-HT4 receptor partial agonist with sales of $299 million in 2004, an increase of 81.2%. Nexium sales in 2004 reached $3.88 billion, an increase of 17.6% compared with 2003. Prevacid global sales were down 18.8% to $2.59 billion. Prevacid was launched in the United States in 1995, Zelnorm was launched in 2002, and Nexium was introduced in 2001.

In the past two years, Nexium was the only prescription brand ever with a direct-to-consumer expenditure of more than $200 million. This changed in 2004, however, as DTC spending for AstraZeneca's cholesterol drug **Crestor** reached $211.5

please turn to page 26

**TOP 10 DTC SPENDS**
(For 2004, $ in millions)

| | |
|---|---|
| NEXIUM | 224 |
| CRESTOR | 212 |
| CIALIS | 176 |
| LEVITRA | 157 |
| ZELNORM | 146 |
| PREVACID | 128 |
| FLONASE | 122 |
| SINGULAIR | 122 |
| LIPITOR | 120 |
| PLAVIX | 118 |


Ortho-McNeil's television spot for Ortho Evra takes the innovative approach of having a real-life physician deliver the product's fair-balance information.

# YEAR OF TRANSITION

**Pfizer is investing in its pipeline and controlling costs to get through a difficult year of transition following the withdrawal of Bextra and the loss of exclusivity for a number of important products.** BY STEVE NILES

The future of **Pfizer** Inc. depends on how well the company tackles challenges in 2005. Where the company leads in addressing these challenges, others in the industry may follow. Pfizer must cope with the loss of exclusivity on several important products, the market withdrawal of **Bextra** and safety concerns around the remainder of the cox-2 franchise, continued pricing pressures, and the general uncertainty around market acceptance of new products. Pfizer leaders intend to sustain long-term growth for the company by investing in the R&D pipeline, enhancing effectiveness, and reducing operating costs. The chang-

please turn to page 48

# TRICARE PACKAGE OF CHALLENGES

Changes to the U.S. military's retail pharmacy program make calculating rebates more difficult, but mastering the system allows marketers to get access to more patients. BY REBECCA MAYER

A year after Tricare implemented a retail pharmacy program, pharmaceutical companies continue to struggle to comply with the military program's requirements. The problems phar-

please turn to page 44

volume 24 number 6 $25

# DTC

*from cover*

million in its first full year on the market. The product was launched in September 2003, and AstraZeneca (astrazeneca.com) spent $27.9 million in direct-to-consumer advertising for the lipid-lowering medication for the rest of that year. Crestor sales in 2004 were $908 million, compared with $129 million in 2003.

Competing cholesterol drug **Lipitor** was the ninth-most promoted prescription drug last year. In 2003, Pfizer (pfizer.com) marketed four of the top 10 most-promoted prescription drugs. In 2004, however, Pfizer's Lipitor was the company's only product to reach the top 10. Pfizer spent $119.6 million in direct-to-consumer expenditure on the antihyperlipidemic agent for 2004, up 9.5% compared with 2003. Lipitor entered the U.S. market in first-quarter 1997 and remains the world's top-selling drug at $10.86 billion, an increase of 17.7% compared with 2003.

Lipitor's rival product **Zocor** was the 17th most-promoted drug to consumers in 2004 at $95.7 million, up 0.6%. This cholesterol reducer was launched by Merck (merck.com) in 1992 and was the second-highest selling prescription medicine in 2004 at $5.2 billion, an increase of 3.7%.

The erectile-dysfunction market was a major DTC battleground in 2004 as two new competitors took on Pfizer's market-leader **Viagra**. Cialis and Levitra entered the marketplace in 2003.

**Cialis** was introduced by **Lilly Icos** LLC (lillyicos.com) in December 2003. Direct-to-consumer promotion for the product began in early 2004, reaching a total of $175.8 million, the third-highest DTC expenditure for a prescription drug. Spending for **Levitra** was close behind. **Bayer** (bayer.com) and **GlaxoSmithKline** launched Levitra in August 2003 and $46.9 million was spent in advertising the product to consumers throughout the rest of that year. In 2004, the spending increased to $156.9 million.

Viagra was the No. 6 product in consumer expenditure for 2003 at $111.6 million, but the product dropped out of the top 10 as expenditure decreased 15.3% to $94.5 million. In 2004, Viagra sales decreased 10.7% to $1.68 billion. Cialis sales were up to $552.3 million. Levitra sales grew 34% to $240.1 million.

GlaxoSmithKline increased its consum-

**Annual DTC expenditure for prescription brands**

| | | |
|---|---|---|
| 2004 | $4.15 | billion |
| 2003 | $3.27 | billion |
| 2002 | $2.65 | billion |
| 2001 | $2.38 | billion |
| 2000 | $2.24 | billion |
| 1999 | $1.58 | billion |
| 1998 | $1.17 | billion |
| 1997 | $843.9 | million |

# BRANDS Direct-to-consumer advertising expenditure

| Rank 2004 | Rank 2003 | Brand | Expenditure in 2004 | Expenditure in 2003 | Disease/medical use | Company |
|---|---|---|---|---|---|---|
| 1 | 1 | Nexium | $223,699,437 | $257,277,055 | Gastroesophageal reflux disease, erosive esophagitis, *Helicobacter pylori* | AstraZeneca |
| 2 | 127 | Crestor | 211,539,545 | 27,944 | Cholesterol | AstraZeneca |
| 3 | — | Cialis | 175,816,808 | 0 | Erectile dysfunction | Lilly Icos |
| 4 | 28 | Levitra | 156,861,975 | 46,897,759 | Erectile dysfunction | Bayer |
| 5 | 23 | Zelnorm | 146,395,213 | 53,211,579 | Irritable bowel syndrome | Novartis |
| 6 | 2 | Prevacid | 127,508,749 | 132,876,909 | Ulcers, gastroesophageal reflux disease, erosive esophagitis, *H. pylori*, pathological hypersecretory conditions | Tap Pharmaceutical Products |
| 7 | 14 | Flonase | 121,841,940 | 86,465,187 | Allergic and nonallergic rhinitis | GlaxoSmithKline |
| 8 | 3 | Singulair | 121,591,476 | 130,478,620 | Asthma, allergic rhinitis | Merck & Co. |
| 9 | 7 | Lipitor | 119,578,092 | 109,239,348 | Cholesterol | Pfizer |
| 10 | 13 | Plavix | 118,434,108 | 90,211,148 | Thrombotic events | Sanofi-Aventis |
| 11 | 11 | Celebrex | 118,288,799 | 95,900,431 | Rheumatoid arthritis, osteoarthritis, acute pain, colorectal polyps, primary dysmenorrhea | Pfizer |
| 12 | 5 | Allegra | 118,120,995 | 125,487,910 | Allergic rhinitis, urticaria | Sanofi-Aventis |
| 13 | 19 | Valtrex | 111,792,363 | 77,902,978 | Herpes | GlaxoSmithKline |
| 14 | 24 | Wellbutrin XL | 110,256,676 | 52,409,269 | Depressive disorder | GlaxoSmithKline |
| 15 | 18 | Elidel | 103,693,453 | 79,694,433 | Atopic dermatitis | Novartis |
| 16 | 10 | Advair | 99,313,807 | 101,748,191 | Asthma, chronic obstructive pulmonary disease | GlaxoSmithKline |
| 17 | 12 | Zocor | 95,651,844 | 95,127,574 | Cholesterol, heart conditions, first-risk stroke reduction | Merck & Co. |
| 18 | 6 | Viagra | 94,528,659 | 111,556,407 | Erectile dysfunction | Pfizer |
| 19 | 27 | Lamisil | 92,425,039 | 47,679,558 | Fungal infections | Novartis |
| 20 | — | Ortho Tri-Cyclen Lo | 91,045,008 | 0 | Prevention of pregnancy | Johnson & Johnson |
| 21 | 9 | Zyrtec | 86,459,742 | 105,336,760 | Allergic rhinitis, urticaria | Pfizer |
| 22 | 17 | Imitrex | 84,242,639 | 80,479,347 | Migraine, cluster headache | GlaxoSmithKline |
| 23 | 8 | Zoloft | 81,285,874 | 108,863,685 | Depression, social and mood disorders | Pfizer |
| 24 | 22 | Strattera | $80,731,728 | $62,740,145 | Attention-deficit hyperactivity disorder | Eli Lilly |
| 25 | 20 | Vioxx | 71,885,175 | 69,639,378 | Rheumatoid arthritis, osteoarthritis, acute pain, primary dysmenorrhea, migraine | Merck & Co. |
| 26 | 15 | Ortho Evra | 70,736,042 | 86,046,648 | Prevention of pregnancy | Johnson & Johnson |
| 27 | 33 | Ambien | 63,611,528 | 39,891,220 | Insomnia | Sanofi-Aventis |
| 28 | 16 | Procrit | 62,386,456 | 82,738,792 | Anemia, transfusion reduction, red blood cell level maintenance | Johnson & Johnson |
| 29 | 68 | Humira | 61,083,620 | 4,113,136 | Rheumatoid arthritis | Abbott Laboratories |
| 30 | 26 | Enbrel | 57,071,834 | 48,785,176 | Arthritis, plaque psoriasis, ankylosing spondylitis | Amgen |
| 31 | — | Vytorin | 51,956,522 | 0 | Cholesterol | Merck/Schering-Plough Pharmaceuticals |
| 32 | 31 | Aricept | 50,792,372 | 41,222,103 | Alzheimer disease | Pfizer |
| 33 | 65 | Neulasta | 47,448,210 | 4,632,880 | Neutropenia | Amgen |
| 34 | 21 | Paxil CR | 46,355,847 | 62,886,346 | Depression, panic disorder, premenstrual dysphoric disorder, social anxiety disorder, major depressive disorder | GlaxoSmithKline |
| 35 | 4 | Clarinex | 44,238,554 | 129,220,277 | Allergic rhinitis, urticaria | Schering-Plough |
| 36 | 37 | Remicade | 43,585,648 | 30,879,091 | Rheumatoid arthritis, Crohn disease | Johnson & Johnson |
| 37 | 36 | Detrol LA | 40,594,586 | 34,733,831 | Overactive bladder | Pfizer |
| 38 | 35 | Adderall XR | 38,950,385 | 35,006,991 | Attention-deficit hyperactivity disorder | Shire Pharmaceuticals Group |
| 39 | 78 | Prempro | 38,831,736 | 1,498,701 | Osteoporosis, vulvar and vaginal atrophy, menopausal vasomotor symptoms | Wyeth |
| 40 | 56 | Allegra-D | 36,695,840 | 7,674,672 | Allergic rhinitis | Sanofi-Aventis |
| 41 | 95 | Relpax | 35,952,063 | 412,200 | Migraine | Pfizer |
| 42 | 131 | Actonel | 35,926,384 | 16,595 | Osteoporosis, Paget disease, vertebral fractures | Procter & Gamble |
| 43 | 25 | Fosamax | 32,667,280 | 50,544,950 | Osteoporosis, Paget disease | Merck & Co. |

er promotional spend for the allergy drug **Flonase** 40.9% to $121.8 million, making the product the seventh-most promoted prescription drug. GlaxoSmithKline (gsk.com) recorded sales of $1.06 billion for Flonase in 2004, an increase of 8.6% compared with the previous year. Flonase was launched in January 1995.

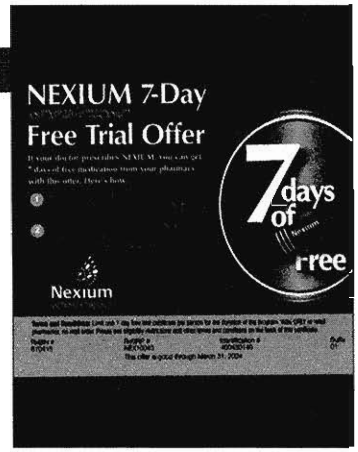
Competing allergy drug **Clarinex** dropped from No. 4 in 2003 consumer expenditure to No. 35 in 2004. Marketer **Schering-Plough** Corp. (sgp.com) reduced its consumer spending on the drug 65.8% to $44.2 million. Clarinex was approved in December 2001, and DTC promotion for the product was begun in March 2002.

Merck's asthma drug **Singulair** was the eighth most-promoted drug last year at $121.6 million, a decrease of 6.8% compared with 2003. Singulair was introduced to the market in March 1998, and sales for 2004 were up 30.5% to $2.62 billion. The next most-promoted asthma drug was GlaxoSmithKline's **Advair**. Consumer expenditure for this drug was $99.3 million in 2004, a decrease of 2.4% compared with 2003. Advair was the No. 10 most-promoted drug in 2003 and No. 16 in 2004.

**Plavix** rounds out the list of top 10 most-promoted prescription drugs in 2004. Marketed by **Bristol-Myers Squibb** Co. (bms.com) and **Sanofi-Aventis** (sanofi-aventis.com), $118.4 million was spent on promoting the blood-disorder drug to consumers, an increase of 31.3% compared with 2003. Last year, sales for Plavix, indicated for the treatment of thrombotic events, were reported at $3.33 billion by Bristol-Myers Squibb, an increase of 34.9% compared with 2003.

Coming in next in the blood-disorder category was **Johnson & Johnson's Procrit**. Indicated for anemia, transfusion reduction, and red blood cell level maintenance, the product ranked No. 28 in consumer expenditure. J&J (jnj.com) spent $62.4 million promoting the product to consumers, a decrease of 24.6% compared with 2003.

Awareness of TV advertising grew in 2004 to 89% from 69% in 2003, according to NOP World Health data. Awareness levels from the Internet increased as well, from 2% in 2003 to 8% in 2004. Those increases are attributed to the industry's increased spending on DTC promotion. Awareness levels from other media declined. Awareness of




Nexium was in the top spot in terms of consumer spending for the third year in a row, although spending was down 13.1% to $223.7 million.

# BRANDS Direct-to-consumer advertising expenditure

| Rank 2004 | Rank 2003 | Brand | Expenditure in 2004 | Expenditure in 2003 | Disease/medical use | Company |
|---|---|---|---|---|---|---|
| 44 | 32 | Botox | $32,040,460 | $41,083,009 | Glabellar lines, cervical dystonia, blepharospasm, strabismus | Allergan |
| 45 | — | Restasis | 27,878,688 | 0 | Dry eye | Allergan |
| 46 | 49 | Yasmin | 27,731,602 | 11,282,866 | Prevention of pregnancy | Schering AG |
| 47 | — | Seasonale | 27,582,311 | 0 | Prevention of pregnancy | Barr Laboratories |
| 48 | 39 | Pravachol | 18,690,425 | 25,574,833 | Cholesterol and reduce risk of stroke, myocardial infarction, myocardial revascularization procedures, and cardiovascular mortality | Bristol-Myers Squibb |
| 49 | 41 | Patanol | 15,852,569 | 20,231,288 | Eye itch due to allergic conjunctivitis | Nestle |
| 50 | 46 | EpiPen | 14,739,724 | 14,553,885 | Allergic reactions, anaphylaxis | Dey |
| 51 | 38 | Avandia | 14,659,857 | 29,304,611 | Type 2 diabetes | GlaxoSmithKline |
| 52 | 70 | Pediarix | 13,034,906 | 3,246,959 | Diphtheria, tetanus, and pertussis | GlaxoSmithKline |
| 53 | 43 | Concerta | 11,545,918 | 18,094,957 | Attention-deficit hyperactivity disorder | Johnson & Johnson |
| 54 | 47 | Synvisc | 11,174,674 | 14,395,893 | Pain from knee osteoarthritis | Wyeth |
| 55 | 93 | Nasonex | 10,171,045 | 423,487 | Allergic rhinitis | Schering-Plough |
| 56 | 40 | Arimidex | 10,027,987 | 20,687,320 | Breast cancer | AstraZeneca |
| 57 | 30 | Effexor XR | 8,457,349 | 43,190,058 | Depression, social and generalized anxiety disorder | Wyeth |
| 58 | 51 | Penlac | 8,310,056 | 10,652,983 | Onychomycosis | Sanofi-Aventis |
| 59 | 109 | Emend | 7,989,316 | 164,452 | Chemotherapy-associated nausea and vomiting | Merck & Co. |
| 60 | 62 | Transderm Scop | 6,594,150 | 5,923,686 | Nausea and vomiting due to motion sickness | Novartis |
| 61 | 83 | Bextra | 4,736,118 | 999,999 | Rheumatoid arthritis, osteoarthritis, dysmenorrhea | Pfizer |
| 62 | 74 | Differin Gel | 4,388,168 | 2,672,934 | Acne vulgaris | Galderma |
| 63 | 91 | BenzaClin | 4,347,190 | 527,776 | Acne vulgaris | Sanofi-Aventis |
| 64 | 110 | Mobic | 4,306,490 | 163,104 | Osteoarthritis | Boehringer Ingelheim |
| 65 | 59 | Protopic | 3,719,738 | 6,254,201 | Atopic dermatitis | Astellas Pharma |
| 66 | 52 | Nicotrol | 3,719,702 | 10,476,463 | Smoking cessation | Pfizer |
| 67 | 72 | TheraSeed | $2,830,425 | $3,105,720 | Prostate cancer | Theragenics |
| 68 | 92 | Depo-Provera | 2,819,122 | 449,501 | Prevention of pregnancy | Pfizer |
| 69 | 73 | Mirena | 2,390,271 | 2,782,452 | Prevention of pregnancy | Schering AG |
| 70 | 119 | MiraLax | 2,339,802 | 92,400 | Constipation | Braintree Laboratories |
| 71 | 44 | Femring | 2,334,954 | 15,643,946 | Menopausal symptoms, vulvar and vaginal atrophy | Warner Chilcott |
| 72 | — | Omnicef | 1,952,832 | 0 | Bacterial infections | Abbott Laboratories |
| 73 | 64 | Novolin Innolet | 1,899,577 | 5,042,280 | Type 1 diabetes | Novo Nordisk |
| 74 | 60 | Famvir | 1,850,864 | 6,141,254 | Herpes | Novartis |
| 75 | — | Topamax | 1,766,752 | 0 | Seizures | Johnson & Johnson |
| 76 | 63 | Tamiflu | 1,530,123 | 5,112,937 | Influenza | Roche |
| 77 | 81 | Combivir | 994,749 | 1,175,308 | HIV infection | GlaxoSmithKline |
| 78 | 90 | Ditropan XL | 985,234 | 550,828 | Overactive bladder | Johnson & Johnson |
| 79 | 79 | Actos | 864,750 | 1,275,673 | Type 2 diabetes glycemic control | Takeda Pharmaceutical |
| 80 | — | EstroGel | 822,500 | 0 | Menopausal symptoms, vulvar and vaginal atrophy | Solvay |
| 81 | — | Truvada | 789,141 | 0 | HIV-1 infection | Gilead Sciences |
| 82 | — | Retin-A Cream | 773,549 | 0 | Acne vulgaris | Johnson & Johnson |
| 83 | 77 | Propecia | 578,134 | 2,233,555 | Hair loss | Merck & Co. |
| 84 | 97 | Seroquel | 568,960 | 324,995 | Schizophrenia, acute mania | AstraZeneca |
| 85 | 94 | Eligard | 563,683 | 412,721 | Prostate cancer | Sanofi-Aventis |
| 86 | 82 | Pegasys | 550,489 | 1,095,400 | Hepatitis C | Roche |
| 87 | 144 | Altace | 444,494 | 3,962 | Cardiovascular events, hypertension, congestive heart failure | King Pharmaceuticals |
| 88 | 76 | Entocort EC | 407,823 | 2,499,017 | Crohn disease | AstraZeneca |
| 89 | 61 | NuvaRing | 388,830 | 6,083,073 | Prevention of pregnancy | Akzo Nobel |
| 90 | 141 | Kaletra | 386,273 | 5,745 | HIV infection | Abbott Laboratories |
| 91 | 102 | Reyataz | 365,834 | 236,536 | HIV-1 infection | Bristol-Myers Squibb |
| 92 | 71 | CosmoDerm | 358,991 | 3,138,204 | Soft-tissue contour deficiencies, lip-border restoration | Inamed |

magazine advertising dropped from 31% to 17%, while awareness of promotions in the doctor's office fell from 17% to 11%. Analysts believe, however, that recent events could end the dominance of mass media.

NOP World Health conducted its research in September 2004, before the withdrawal of Vioxx, which brought safety concerns high in the public consciousness. The survey results also reflect a strong spring and summer for DTC advertising, as well as the Super Bowl of that year, which saw considerable spending in DTC promotion, particularly in the category of erectile dysfunction drugs.

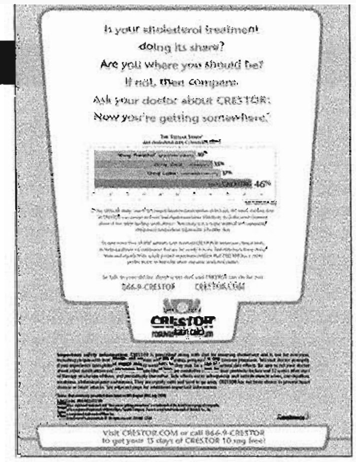
"Certainly that increase in spend and that increase in TV advertising had a direct correlation in boosting that awareness rate," says Sue Ramspacher, senior VP, health-care consumer practice, NOP World Health (nopworld.com). "I don't yet think that we've seen a dramatic decline. We've seen somewhat of a shift or a reallocation, meaning that some of the very specific brand messages are being softened a bit, and they're coming out with some more disease awareness, disease management, and corporate reputation type ads."

Along with the erectile dysfunction category, the cox-2 inhibitor class was a driver of previous spending increases. "With some of the products being pulled from the market, and if not from the market, certainly pulled back significantly on DTC spending, we are going to see a decline," Ms. Ramspacher told *Med Ad News*.

Other analysts agree that marketers will shift to disease awareness and unbranded advertising. Events such as the Vioxx withdrawal are partly responsible, but the shift was already under way, according to David Gascoigne, practice leader, promotion management, IMS Management Consulting (imshealth.com). In the near term, DTC spending is going to plateau, according to Mr. Gascoigne.

"Historically, it was 'Let's just plow everything into TV and print,'" Mr. Gascoigne says. "We're now seeing a better allocation of DTC expenditures across many different forms of consumer initiatives. It becomes more around total brand communication, as opposed to let's just hit everybody with a mass TV campaign or a mass print campaign. In many respects, that's a much more effective and smarter way of promoting the products."

Mr. Gascoigne believes that successful companies are finding marketing success by focusing on total-brand communica-




**In Crestor's first full year on the market, consumer spending on the drug reached $211.5 million.**

# BRANDS Direct-to-consumer advertising expenditure

| Rank 2004 | Rank 2003 | Brand | Expenditure in 2004 | Expenditure in 2003 | Disease/medical use | Company |
|---|---|---|---|---|---|---|
| 93 | — | Hylaform | $358,988 | 0 | Facial wrinkles and folds | Inamed Aesthetics |
| 94 | 45 | Retin-A Micro | 353,041 | 15,616,409 | Acne vulgaris | Johnson & Johnson |
| 95 | — | Ultracet | 338,819 | 0 | Pain | Johnson & Johnson |
| 96 | — | Lexiva | 316,062 | 0 | HIV infection | GlaxoSmithKline |
| 97 | 42 | Rhinocort Aqua | 269,844 | 18,844,330 | Allergic rhinitis | AstraZeneca |
| 98 | 112 | Evoxac | 264,865 | 146,103 | Dry mouth due to Sjogren syndrome | Daiichi Pharmaceutical |
| 99 | — | Femara | 250,325 | 0 | Breast cancer | Novartis |
| 100 | 89 | Travatan | 245,638 | 584,479 | Elevated intraocular pressure | Nestle |
| 101 | — | Faslodex | 206,961 | 0 | Breast cancer | AstraZeneca |
| 102 | 96 | Trexall | 202,602 | 350,336 | Psoriasis, rheumatoid arthritis, neoplastic disease | Barr Pharmaceuticals |
| 103 | 100 | Salagen | 201,620 | 292,206 | Dry mouth caused by radiotherapy for head and neck cancer, dry mouth due to Sjogren syndrome | MGI Pharma |
| 104 | 87 | Pulmicort Respules | 186,289 | 622,648 | Asthma | AstraZeneca |
| 105 | — | Muse | 153,616 | 0 | Erectile dysfunction | Vivus |
| 106 | 29 | FluMist | 141,773 | 45,673,681 | Influenza prevention | MedImmune |
| 107 | 116 | Sustiva | 108,478 | 111,388 | HIV infection | Bristol-Myers Squibb |
| 108 | — | Vaniqa | 105,599 | 0 | Unwanted facial hair | Bristol-Myers Squibb |
| 109 | 99 | Flomax | 100,053 | 304,715 | Benign prostatic hypertrophy | Boehringer Ingelheim |
| 110 | 133 | Iressa | 86,594 | 12,664 | Nonsmall cell lung cancer | AstraZeneca |
| 111 | — | Flexeril | 78,886 | 0 | Pain | Johnson & Johnson |
| 112 | — | Daptacel | 65,288 | 0 | Diphtheria, tetanus, and pertussis | Sanofi-Aventis |
| 113 | 124 | Viracept | 45,689 | 50,013 | HIV infection | Pfizer |
| 114 | — | Ortho Tri-Cyclen | 45,220 | 0 | Prevention of pregnancy | Johnson & Johnson |
| 115 | — | Elmiron | 40,715 | 0 | Bladder pain | Johnson & Johnson |
| 116 | — | Activase | 33,790 | 0 | Myocardial infarction | Roche |
| 117 | 84 | Paxil | 32,543 | 923,394 | Depression, social and mood disorders | GlaxoSmithKline |

| Rank 2004 | Rank 2003 | Brand | Expenditure in 2004 | Expenditure in 2003 | Disease/medical use | Company |
|---|---|---|---|---|---|---|
| 118 | — | Lovenox | $29,630 | 0 | Deep-vein thrombosis | Sanofi-Aventis |
| 119 | 88 | Tri-Luma | 27,507 | 604,390 | Facial melasma | Galderma |
| 120 | 132 | Lexapro | 25,923 | 16,047 | Major depressive disorder, generalized anxiety disorder | Forest Laboratories |
| 121 | — | Raptiva | 19,742 | 0 | Psoriasis | Genentech |
| 122 | — | Reminyl | 19,475 | 0 | Alzheimer disease | Johnson & Johnson |
| 123 | 122 | Lamictal | 19,265 | 53,971 | Seizures, bipolar I disorder | GlaxoSmithKline |
| 124 | — | Visicol | 13,601 | 0 | Colonoscopic evaluation | Inkine Pharmaceuticals |
| 125 | 146 | Aranesp | 13,400 | 3,145 | Anemia | Amgen |
| 126 | — | Micardis | 13,000 | 0 | Hypertension | Boehringer Ingelheim |
| 127 | 150 | Fuzeon | 12,269 | 1,597 | HIV-1 infection | Roche |
| 128 | — | Novolin 70/30 | 11,256 | 0 | Hyperglycemia | Novo Nordisk |
| 129 | — | Invirase | 9,290 | 0 | HIV infection | Roche |
| 130 | — | Protonix | 9,000 | 0 | Pathological hypersecretory conditions | Wyeth |
| 131 | 111 | Oxytrol | 8,847 | 161,407 | Overactive bladder | Watson |
| 132 | 130 | Xeloda | 6,208 | 19,157 | Colorectal cancer and breast cancer | Roche |
| 133 | 138 | Zofran | 5,560 | 8,274 | Nausea and vomiting | GlaxoSmithKline |
| 134 | 128 | Zyprexa | 4,905 | 24,367 | Schizophrenia | Eli Lilly |
| 135 | — | Risperdal | 4,564 | 0 | Schizophrenia, bipolar 1 disorder | Johnson & Johnson |
| 136 | — | Hyalgan | 3,414 | 0 | Osteoarthritis | Sanofi-Aventis |
| 137 | — | Avodart | 3,391 | 0 | BPH | GlaxoSmithKline |
| 138 | — | Avastin | 3,086 | 0 | Colorectal cancer | Roche |
| 139 | 108 | Soriatane | 2,917 | 180,762 | Psoriasis | Connetics |
| 140 | — | Coreg | 2,632 | 0 | Heart failure, essential hypertension | GlaxoSmithKline |
| 141 | 123 | Zometa | 2,032 | 51,671 | Hypercalcemia, multiple myeloma | Novartis |
| 142 | 126 | Toprol-XL | 1,916 | 28,886 | Hypertension | AstraZeneca |
| 143 | — | Symbyax | 1,325 | 0 | Bipolar disorder | Eli Lilly |
| 144 | — | Namenda | 1,260 | 0 | Alzheimer disease | Forest Laboratories |
| 145 | 139 | Carac | 1,219 | 7,925 | Actinic keratosis | Sanofi-Aventis |
| 146 | 69 | Xenical | 1,034 | 3,727,443 | Obesity | Roche |
| 147 | — | Gemzar | 1,010 | 0 | Breast cancer | Eli Lilly |

**Source: Nielsen Monitor-Plus (nielsenmedia.com)**
**Note: Med Ad News excluded from this list brands with less than $1,000 in 2004 consumer expenditure.**

tions that rely on coordinated promotional activities. These efforts have established public relations as a growing component of the promotional mix. Brand managers can partner with their PR agencies and internal colleagues to build awareness and educate target audiences much earlier in the product life cycle.

"In some respects, PR is seen as a little bit more independent or neutral than traditional mass media from that perspective," Mr. Gascoigne says. "Often PR is supported by a key thought leader within the industry, a leading academic. And in some respects, that's further credibility to the messages that are being communicated."

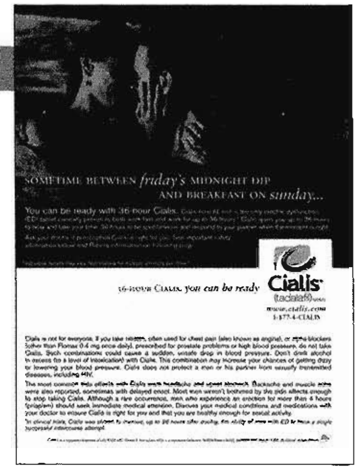
The tactic is supported by an IMS Health study demonstrating that sustained pre- and postlaunch PR activity had a substantial impact on performance of a brand during the first two launch years. Prescriptions generated through PR were achieved from a relatively small investment, providing a strong return on investment.

"Even before the controversies surrounding the cox-2 inhibitors, it was becoming clear that the future of DTC marketing in the United States would not be 'more of the same,'" says Joan Cavanagh, analyst, Kalorama Information (kalorama information.com). "Widespread criticism from physicians, payers, legislators, and regulators; public outcry over the saturation of the airwaves, particularly with erectile dysfunction product ads; and highly debatable ROI assessments point to slowing growth even in the rosiest of scenarios."

As product withdrawals and safety concerns ramp up consumer ire, the industry must find ways to win public favor. In addition, marketing efforts that are more effectively targeted medically and culturally can serve to improve perception of the industry while improving return on investment.

Experts see a shift from broad direct-to-consumer campaigns to more focused and targeted direct-to-patient campaigns. Pharmaceutical marketers are increasing focus on building and maintaining relationships with consumers, according to Optas Inc. research. As a result, mass-media spending is likely to decrease significantly in 2005, losing favor to other communications options.

A survey conducted by Optas found that respondents, particularly pharmaceutical manufacturers, overwhelmingly agree that programs in 2005 will focus on




**Direct-to-consumer promotion for Cialis began in early 2004, reaching a total expenditure of $175.8 million for the year.**

# ADVERTISING AGENCIES Promoting brands to consumers

| Brand | Consumer advertising agency | Company | Disease/medical use |
|---|---|---|---|
| Activase | NA | Genentech | Myocardial infarction |
| Actonel | Grey Healthcare Group Inc. | Procter & Gamble | Osteoporosis, Paget disease, vertebral fractures |
| Actos | NA | Takeda Pharmaceutical | Type 2 diabetes glycemic control |
| Adderall XR | Harte-Hanks | Shire Pharmaceuticals Group | Attention-deficit hyperactivity disorder |
| Advair | Euro RSCG Worldwide NY | GlaxoSmithKline | Asthma, chronic obstructive pulmonary disease |
| Allegra | McCann HumanCare | Sanofi-Aventis | Allergic rhinitis, urticaria |
| Allegra-D | McCann HumanCare | Sanofi-Aventis | Allergic rhinitis |
| Altace | Saatchi & Saatchi Consumer Healthcare | King Pharmaceuticals | Cardiovascular events, hypertension, congestive heart failure |
| Ambien | NA | Sanofi-Aventis | Insomnia |
| Aranesp | Euro RSCG Worldwide NY | Amgen | Anemia |
| Aricept | LENS Inc. | Pfizer | Alzheimer disease |
| Arimidex | Medicus NY | AstraZeneca | Breast cancer |
| Avandia | NA | GlaxoSmithKline | Type 2 diabetes |
| Avodart | NA | GlaxoSmithKline | Benign prostatic hyperplasia |
| BenzaClin | Donahoe Purohit Miller Inc. | Sanofi-Aventis | Acne vulgaris |
| Bextra | McCann HumanCare | Pfizer | Rheumatoid arthritis, osteoarthritis, dysmenorrhea |
| Botox | Grey Worldwide NY | Allergan | Glabellar lines, cervical dystonia, blepharospasm, strabismus |
| Carac | NA | Sanofi-Aventis | Actinic keratosis |
| Celebrex | Kaplan Thaler Group | Pfizer | Rheumatoid arthritis, osteoarthritis, acute pain, colorectal polyps, primary |
| Cialis | Grey Worldwide NY | Lilly Icos | Erectile dysfunction |
| Clarinex | Saatchi & Saatchi Consumer Healthcare | Schering-Plough | Allergic rhinitis, urticaria |
| Combivir | Palio Communications | GlaxoSmithKline | HIV infection |
| Concerta | Ogilvy Healthworld | Johnson & Johnson | Attention-deficit hyperactivity disorder |
| Coreg | NA | GlaxoSmithKline | Heart failure, essential hypertension |
| CosmoDerm | Euro RSCG Life Central | Inamed | Soft-tissue contour deficiencies, lip-border restoration |
| Crestor | Quantum | AstraZeneca | Cholesterol |
| Daptacel | NA | Sanofi-Aventis | Diphtheria, tetanus, and pertussis |
| Depo-Provera | Cline, Davis & Mann | Pfizer | Prevention of pregnancy |
| Detrol LA | Saatchi & Saatchi Consumer Healthcare | Pfizer | Overactive bladder |
| Differin Gel | Nelson Communications/NY | Galderma Laboratories | Acne vulgaris |
| Ditropan XL | Alchemy | Johnson & Johnson | Overactive bladder |
| Effexor XR | Euro RSCG Life Chelsea | Wyeth | Depression, social and generalized anxiety disorder |
| Elidel | Merkley & Partners | Novartis | Atopic dermatitis |
| Eligard | NA | Sanofi-Aventis | Prostate cancer |
| Elmiron | Alchemy | Johnson & Johnson | Bladder pain |
| Emend | DDB Worldwide Communication Group Inc. | Merck & Co. | Chemotherapy-associated nausea and vomiting |
| Enbrel | Saatchi & Saatchi Consumer Healthcare | Amgen | Arthritis, plaque psoriasis, ankylosing spondylitis |
| Entocort EC | Saatchi & Saatchi Consumer Healthcare | AstraZeneca | Crohn disease |
| EpiPen | BBDO Worldwide | Dey | Allergic reactions, anaphylaxis |
| EstroGel | NA | Solvay | Menopausal symptoms, vulvar and vaginal atrophy |
| Evoxac | Torre Lazur McCann | Daiichi Pharmaceutical | Dry mouth due to Sjogren syndrome |
| Famvir | Deutsch Inc. | Novartis | Herpes |
| Faslodex | NA | AstraZeneca | Breast cancer |
| Femara | NA | Novartis | Breast cancer |
| Femring | Regan Campbell Ward | Warner Chilcott | Menopausal symptoms, vulvar and vaginal atrophy |
| Flexeril | NA | Johnson & Johnson | Pain |
| Flomax | NA | Boehringer Ingelheim | Benign prostatic hypertrophy |
| Flonase | NA | GlaxoSmithKline | Allergic and nonallergic rhinitis |
| FluMist | NA | MedImmune | Influenza prevention |
| Fosamax | FCB HealthCare | Merck & Co. | Osteoporosis, Paget disease |
| Fuzeon | NA | Roche | HIV-1 infection |

patient programs turning to in-physicians' office and pharmacy support programs, as well as e-marketing initiatives. Mass media has been the avenue of choice for pharmaceutical DTC marketing since 1997 when DTC marketing of prescription brands became legal. Marketers are now looking to decrease reliance on television advertisement dramatically in 2005, according to the Optas survey.

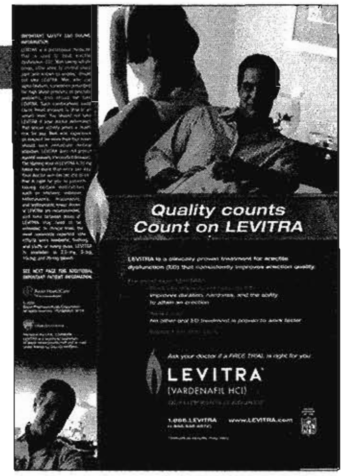
"It's been brewing for a while," says Paul Buta, chief operating officer, Optas (optas.com). "There's a general feeling among a lot of our clients that TV is saturated as a medium. At the same time, the trend is for fewer blockbusters and more and more targeted medications that often have a narrower audience of interest. The last reason there's been a shift is that the pharmaceutical companies are aware of their difficulties in the public relations arena."

Optas helps pharmaceutical companies build relationships with consumers and physicians by leveraging automated systems to capture customer data and drive behavior through relevant messaging. According to Mr. Buta, early-adopting clients that have moved toward relationship marketing programs have seen a payoff.

"One by one, building solid relationships with users of these products and making them into happy, loyal consumers has a much better payoff from a public relations perspective," Mr. Buta says. "If people feel that pharmaceutical companies are giving them real value, then they're likely to have a more positive impression of them."

Relationship marketing can be useful in addressing safety concerns. According to Mr. Buta, one of the natural benefits of having a large database of consumers on a particular drug is that the marketer can reach out to the consumers directly to explain what is going on and to provide updates. "For some clients for whom the product isn't at a dead end but something that is likely to reemerge in another form, this is a good long-term move to make," Mr. Buta says. "If a product comes back, you're well positioned with your consumers. [Relationship marketing] just builds more trust in the companies in general."

Political and public pressure may result in cutbacks in DTC spending, but another possible result may be a call to action for the industry to move to higher ground in its marketing ef-




**Consumer expenditure for Levitra increased 234.5% to $156.9 million.**

# ADVERTISING AGENCIES Promoting brands to consumers

| Brand | Consumer advertising agency | Company | Disease/medical use |
|---|---|---|---|
| Gemzar | NA | Eli Lilly | Breast cancer |
| Humalog 70/30 Pen | NA | Novo Nordisk | Diabetes mellitus |
| Humira | NA | Abbott Laboratories | Rheumatoid arthritis |
| Hyalgan | NA | Sanofi-Aventis | Knee osteoarthritis pain |
| Hylaform | Euro RSCG Life Central | Inamed | Facial wrinkles and folds |
| Imitrex | Grey Worldwide NY | GlaxoSmithKline | Migraine, cluster headache |
| Invirase | NA | Roche/ Genentech | HIV infection |
| Iressa | NA | AstraZeneca | Nonsmall cell lung cancer |
| Kaletra | Ogilvy Healthworld | Abbott Laboratories | HIV infection |
| Lamictal | FCB HealthCare | GlaxoSmithKline | Seizures, bipolar I disorder |
| Lamisil | Deutsch Inc. | Novartis | Fungal infections |
| Levitra | Saatchi & Saatchi Consumer Healthcare | Bayer | Erectile dysfunction |
| Lexapro | NA | Forest Laboratories | Major depressive disorder, generalized anxiety disorder |
| Lexiva | Palio Communications | GlaxoSmithKline | HIV infection |
| Lipitor | Merkley & Partners | Pfizer | Cholesterol |
| Lovenox | Euro RSCG Worldwide NY | Sanofi-Aventis | Deep-vein thrombosis |
| Micardis | NA | Boehringer Ingelheim | Hypertension |
| MiraLax | NA | Braintree Laboratories | Constipation |
| Mirena | McCann (inactive) | Schering AG | Prevention of pregnancy |
| Mobic | NA | Boehringer Ingelheim | Osteoarthritis |
| Muse | NA | Vivus | Erectile dysfunction |
| Namenda | NA | Forest Laboratories | Alzheimer disease |
| Nasonex | NA | Schering-Plough | Allergic rhinitis |
| Neulasta | Euro RSCG Worldwide NY | Amgen | Neutropenia |
| Nexium | Saatchi & Saatchi Consumer Healthcare | AstraZeneca | Gastroesophageal reflux disease, erosive esophagitis, *Helicobacter pylori* |
| Nicotrol | BBDO New York | Pfizer | Smoking cessation |
| Novolin 70/30 | NA | Novo Nordisk | Hyperglycemia |

| Brand | Consumer advertising agency | Company | Disease/medical use |
|---|---|---|---|
| Novolin Innolet | NA | Novo Nordisk | Type 1 diabetes |
| NuvaRing | Quantum | Akzo Nobel | Prevention of pregnancy |
| Omnicef | Ogilvy Healthworld | Abbott Laboratories | Bacterial infections |
| Ortho Evra | Alchemy | Johnson & Johnson | Prevention of pregnancy |
| Ortho Tri-Cyclen | Alchemy | Johnson & Johnson | Prevention of pregnancy |
| Ortho Tri-Cyclen Lo | Alchemy | Johnson & Johnson | Prevention of pregnancy |
| Oxytrol | Quantum | Watson Pharmaceuticals | Overactive bladder |
| Patanol | FCB HealthCare | Nestle | Eye itch due to allergic conjunctivitis |
| Paxil | McCann HumanCare | GlaxoSmithKline | Depression, panic disorder, premenstrual dysphoric disorder, generalized and social anxiety disorder, posttraumatic stress disorder, obsessive-compulsive disorder |
| Paxil CR | McCann HumanCare | GlaxoSmithKline | Depression, panic disorder, premenstrual dysphoric disorder, social anxiety disorder, major depressive disorder |
| Pediarix | NA | GlaxoSmithKline | Diphtheria, tetanus, and pertussis |
| Pegasys | FCB HealthCare | Roche | Hepatitis C |
| Penlac | Donahoe Purohit Miller Inc. | Sanofi-Aventis | Onychomycosis |
| Plavix | Saatchi & Saatchi Consumer Healthcare | Sanofi-Aventis | Thrombotic events |
| Pravachol | Euro RSCG Life Adrenaline | Bristol-Myers Squibb | Cholesterol and reduce risk of stroke, myocardial revascularization procedures, and cardiovascular |
| Prempro | Ogilvy Healthworld | Wyeth | Osteoporosis, vulvar and vaginal atrophy, menopausal vasomotor symptoms |
| Prevacid | Merkley & Partners | Tap Pharmaceutical Products | Ulcers, gastroesophageal reflux disease, erosive esophagitis, *H. pylori*, pathological hypersecretory |
| Procrit | Insight Interactive Group Inc. | Johnson & Johnson | Anemia, transfusion reduction, red blood cell level maintenance |
| Propecia | FCB HealthCare | Merck & Co. | Hair loss |
| Protonix | NA | Wyeth | Gastroesophageal reflux disease, erosive esophagitis, pathological |

forts. Marketers may be moved to provide more transparency and more trustworthy disclosures in their direct to the consumer promotion.

One example of a company that is already moving in that direction is Johnson & Johnson. A recent television spot released for the contraceptive **Ortho Evra** has been recognized for its innovative treatment of its fair balance disclosure. Ortho Evra is marketed by J&J company **Ortho-McNeil** Pharmaceutical Inc. (ortho-mcneil.com).

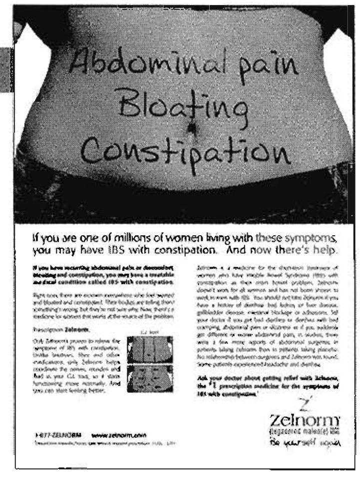
In the spot, a woman enthusiastic about using the product is shown in split-screen with gynecologist Dr. Michelle Francis. Dr. Francis discusses the risks and side effects of the product, including the potential for blood clots and strokes, cautions the woman to avoid smoking, and recommends first speaking with her physician.

The spot was created by Alchemy, a unit of Interpublic Group (interpublic.com). According to Rich Pounder, president and CEO, Alchemy (alchemyny.com), the intent was to present the fair balance information in a way the audience would be less likely to miss while at the same time encouraging a doctor/patient conversation.

"The two things came together at a point, and we thought, what better way than to have a physician lay out the fair balance for the viewer," Mr. Pounder told *Med Ad News*. "It was clear, particularly in the post-Vioxx environment that we needed to have a pretty clear assessment of where we were, but if you look at the work we did before, it was certainly not irresponsible. And all the information was there. In fact, the exact same information was there. It's just a matter of presentation."

The innovation of the Ortho Evra spot has earned admirers among Alchemy's advertising industry peers. Johnson & Johnson is paving the way to the future of DTC, according to Stuart Klein, president, Quantum, the consumer advertising and promotion unit of CommonHealth (commonhealth.com).

"What J&J, and I'm sure we're going to see from others upcoming, is doing is finally leveraging learnings from studies like the one *Prevention* magazine conducts that shows communicating the risk information is equally as important as communicating the benefit information," Mr. Klein says. "It's not just an FDA mandate, it is better business. What J&J has done is up the ante by enhancing the credibility of the fair balance side of the equation by having physicians actually deliver that."




**Novartis spent $146.4 million promoting Zelnorm to consumers, an increase of 175.1% compared with 2003.**

# ADVERTISING AGENCIES Promoting brands to consumers

| Brand | Consumer advertising agency | Company | Disease/medical use |
|---|---|---|---|
| Protopic | Ogilvy Healthworld | Astellas Pharma | Atopic dermatitis |
| Pulmicort Respules | Saatchi & Saatchi Consumer Healthcare | AstraZeneca | Asthma |
| Raptiva | NA | Genentech/ Roche | Plaque psoriasis |
| Relpax | Arnold | Pfizer | Migraine |
| Remicade | Insight Interactive Group Inc. | Johnson & Johnson | Rheumatoid arthritis, Crohn disease |
| Reminyl | Alchemy | Johnson & Johnson | Alzheimer disease |
| Restasis | NA | Allergan | Dry eye |
| Retin-A Cream | NA | Johnson & Johnson | Acne vulgaris |
| Retin-A Micro | Quantum | Johnson & Johnson | Acne vulgaris |
| Reyataz | Euro RSCG Life Adrenaline | Bristol-Myers Squibb | HIV-1 infection |
| Rhinocort Aqua | Medicus NY | AstraZeneca | Allergic rhinitis |
| Risperdal | NA | Johnson & Johnson | Bipolar I disorder, schizophrenia |
| Salagen | NA | MGI Pharma | Dry mouth caused by radiotherapy for head and neck cancer, dry mouth due to Sjogren syndrome |
| Seasonale | Pace Inc. | Barr Pharmaceuticals | Prevention of pregnancy |
| Seroquel | Saatchi & Saatchi Consumer Healthcare | AstraZeneca | Schizophrenia, acute mania |
| Singulair | DDB Worldwide Communication Group Inc. | Merck & Co. | Asthma, allergic rhinitis |
| Soriatane | NA | Connetics | Psoriasis |
| Strattera | FCB HealthCare | Eli Lilly | Attention-deficit hyperactivity disorder |
| Sustiva | Euro RSCG Life Adrenaline | Bristol-Myers Squibb | HIV infection |
| Symbyax | NA | Eli Lilly | Bipolar disorder |
| Synvisc | Ogilvy Healthworld | Wyeth | Pain from knee osteoporosis |
| Tamiflu | Sudler & Hennessey/Young & Rubicam | Roche | Influenza |
| TheraSeed | NA | Theragenics | Prostate cancer |
| Topamax | Alchemy | Johnson & Johnson | Seizures |
| Toprol-XL | Saatchi & Saatchi Consumer Healthcare | AstraZeneca | Hypertension |
| Transderm Scop | NA | Novartis | Nausea and vomiting due to motion sickness |
| Travatan | Footsteps Group | Nestle | Elevated intraocular pressure |
| Trexall | NA | Barr Pharmaceuticals | Psoriasis, rheumatoid arthritis, neoplastic disease |
| Tri-Luma | Nelson Communications/NY | Galderma | Facial melasma |
| Truvada | NA | Gilead Sciences | HIV-1 infection |
| Ultracet | Alchemy | Johnson & Johnson | Pain |
| Valtrex | Euro RSCG Worldwide NY | GlaxoSmithKline | Herpes |
| Vaniqa | NA | Bristol-Myers Squibb | Unwanted facial hair |
| Viagra | McCann HumanCare | Pfizer | Erectile dysfunction |
| Vioxx | DDB Worldwide Communication Group Inc. | Merck & Co. | Rheumatoid arthritis, osteoarthritis, acute pain, primary dysmenorrhea, migraine |
| Viracept | Sudler & Hennessey | Pfizer | HIV infection |
| Visicol | NA | Inkine Pharmaceuticals | Colonoscopic evaluation |
| Vytorin | DDB Worldwide Communication Group Inc. | Merck/Schering-Plough Pharmaceuticals | Cholesterol |
| Wellbutrin XL | Grey Worldwide | GlaxoSmithKline | Depressive disorder |
| Xeloda | NA | Roche | Colorectal cancer and breast cancer |
| Xenical | NA | Roche | Obesity |
| Xolair | NA | Genentech/ Roche | Asthma |
| Yasmin | McCann HumanCare | Schering AG | Prevention of pregnancy |
| Zelnorm | Deutsch Inc. | Novartis | Irritable bowel syndrome |
| Zocor | Ogilvy Healthworld | Merck & Co. | Cholesterol, heart conditions, first-risk stroke reduction |
| Zofran | Palio Communications | GlaxoSmithKline | Nausea and vomiting |
| Zoloft | Kaplan Thaler Group | Pfizer | Depression, social and mood disorders |
| Zometa | NA | Novartis | Hypercalcemia, multiple myeloma |
| Zyprexa | NA | Eli Lilly | Schizophrenia |
| Zyrtec | Berlin Cameron Red Cell | Pfizer | Allergic rhinitis, urticaria |


Consumer promotional spend for Prevacid decreased 4% in 2004 to $127.5 million.

According to Risa Bernstein, co-president, Flashpoint Medica, the Ortho Evra spot heralds a trend in DTC advertising that could restore some trust in the pharmaceutical industry. Flashpoint Medica provides tools to strengthen the relationship between doctors and sales reps. The spot could have the added benefit of helping restore patients' faith in doctors. Part of the fallout of product withdrawals is that doctors end up feeling like they look bad in their patients' eyes for not protecting the patients from the negative side effects.

"What this ad does is use the doctor-patient interface for the doctor to be completely honest about what the side effects of this birth control pill are," Ms. Bernstein says. "[The ad] satisfies the need for the pharmaceutical company to disclose the real risks and benefits. But it does it with the doctor as the spokesperson, so the doctor looks like the trustworthy spokesperson in the deal."

Presenting the fair balance information in a more up-front manner also serves to more directly target those who are good candidates for the drug. "If you're over 35 and you smoke and have certain conditions, you're really not a good candidate for hormonal contraception," Mr. Pounder says. "We don't want to send people in who are in that circumstance with some zeal to get the product and have the doctor have to break the news to them."

According to Ms. Bernstein, J&J has always been a leader in maintaining consumer trust. As an example, she cites the company's ability to weather the Tylenol package tampering scandal of the early 1980s. Today, J&J company McNeil Consumer & Specialty Pharmaceuticals remains on the cutting edge in how the company markets Tylenol to consumers.

McNeil managers found that with Tylenol, they needed a more relevant format to reach the important 18-year-old to 29-year-old generation. With the help of Faith Popcorn's BrainReserve, a strategic marketing consultancy, McNeil developed a marketing approach that targeted the youth segment in a culturally relevant way.

"This notion of reaching people and doing culturally relevant brand marketing is very important and very timely," says Meg Walsh, managing director, healthcare and technology practice, Faith Popcorn's BrainReserve (faithpopcorn.com). "You're weaving the DNA of the brand into the DNA of the culture, or you're asking people to join your brand. Beyond just going to a target, it is analyzing the trends and finding out the people, places, products, and press that matter to them."

The challenge for BrainReserve was to find a way to rejuvenate the elderly Tylenol brand and identify a new target audience. The consultancy assessed the way the younger generation looks at pain and pain management and found that youths view pain as a badge. This sparked a shift inside McNeil's marketing strategy for reaching this generation, moving from the kindly, white coated physician to the Claim Pain initiative. The initiative acknowledges that for this age group, pain is an indication that they are living their lives to the fullest.

The marketers went to Brooklyn and built the first East Coast indoor skate park, which they did not brand. "We simply went to the community, we supported the community of these influencers, they built the skate park, and now it is referred to universally as The Tylenol Bowl," Ms. Walsh says. "*Transworld Skate* magazine said it was the humanitarian gesture of the decade."

At sporting events, the company provides pain tents where the athletes can rest, get water, and get Tylenol. The athletes who are consumer influencers are not branded, rather they promote the product because they appreciate the support McNeil gives to the skate board community.

Marketers target publications and artists geared to the youth culture to promote their brands, and target medical need unique to the market segment. "They have different injuries," Ms. Walsh says. "When they skate, they keep falling on their elbows, and there's a name for it called swellbow. So we give tip cards that explain what swellbow is physiologically and what's happening to their body anatomically, and then how they can treat it. Now if we had given them something in a print ad or on a television commercial, they would have never responded to it."

The concept of culturally relevant marketing can apply for any target group, whether it be working mothers, youths, the elderly, or baby boomers. According to Ms. Walsh, marketers especially need to think of creative ways to reach consumers as the traditional mass-media outlet — television

# MARKETERS Direct-to-consumer advertising expenditure

| Rank 2004 | Rank 2003 | Company | Promotional expenditure in 2004 ($ in thousands) | Promotional expenditure in 2003 ($ in thousands) |
|---|---|---|---|---|
| 1 | 1 | Pfizer | $679,630 | $687,495 |
| 2 | 2 | GlaxoSmithKline | 671,302 | 522,507 |
| 3 | 4 | AstraZeneca | 452,603 | 311,247 |
| 4 | 6 | Novartis | 413,746 | 213,679 |
| 5 | NA | Sanofi-Aventis | 405,426 | 321,385 |
| 6 | 3 | Merck & Co. | 341,049 | 373,993 |
| 7 | 5 | Johnson & Johnson | 305,958 | 246,493 |
| 8 | — | Lilly Icos | 175,818 | 0 |
| 9 | 16 | Bayer | 157,793 | 47,429 |
| 10 | 9 | Tap Pharmaceutical Products | 127,607 | 133,313 |
| 11 | 13 | Amgen | 106,814 | 66,265 |
| 12 | 11 | Eli Lilly | 87,511 | 82,299 |
| 13 | 19 | Abbott Laboratories | 67,330 | 32,558 |
| 14 | — | Merck/Schering-Plough Pharmaceuticals | 62,423 | 0 |
| 15 | 15 | Bristol-Myers Squibb | 62,350 | 51,486 |
| 16 | 12 | Wyeth | 61,806 | 70,110 |
| 17 | 17 | Allergan | 59,919 | 41,133 |
| 18 | 10 | Schering-Plough | 54,411 | 129,800 |
| 19 | 18 | Shire Pharmaceuticals Group | 38,960 | 35,010 |
| 20 | 33 | Procter & Gamble | 36,978 | 1,088 |
| 21 | 25 | Schering AG | 30,129 | 14,095 |
| 22 | 37 | Barr Pharmaceuticals | 27,844 | 350 |
| 23 | 21 | Nestle | 16,098 | 20,816 |
| 24 | 24 | Dey | 14,740 | 14,554 |
| 25 | 14 | MedImmune | 12,338 | 56,010 |

| Rank 2004 | Rank 2003 | Company | Promotional expenditure in 2004 ($ in thousands) | Promotional expenditure in 2003 ($ in thousands) |
|---|---|---|---|---|
| 26 | 28 | Novo Nordisk | $7,280 | $8,245 |
| 27 | 35 | Boehringer Ingelheim | 4,665 | 649 |
| 28 | 22 | Galderma | 4,439 | 19,284 |
| 29 | — | Astellas Pharma | 3,724 | 0 |
| 30 | 31 | Theragenics | 2,830 | 3,106 |
| 31 | 20 | Roche | 2,715 | 20,823 |
| 32 | 47 | Braintree Laboratories | 2,340 | 92 |
| 33 | — | Warner Chilcott | 2,335 | 0 |
| 34 | 32 | Takeda Pharmaceutical | 1,132 | 1,578 |
| 35 | — | Gilead Sciences | 887 | 0 |
| 36 | 27 | Solvay | 824 | 8,269 |
| 37 | 30 | Inamed | 718 | 3,138 |
| 38 | 40 | King Pharmaceuticals | 516 | 188 |
| 39 | 29 | Akzo Nobel | 397 | 6,097 |
| 40 | 46 | Biogen Idec | 363 | 103 |
| 41 | 39 | Daiichi Pharmaceutical | 323 | 202 |
| 42 | — | Schwarz Pharma | 218 | 0 |
| 43 | — | Vivus | 217 | 0 |
| 44 | 38 | MGI Pharma | 202 | 292 |
| 45 | 43 | Watson Pharmaceuticals | 39 | 164 |
| 46 | 50 | Forest Laboratories | 29 | 28 |
| 47 | — | Inkine Pharmaceuticals | 14 | 0 |
| 48 | — | Connetics | 3 | 0 |
| 49 | 49 | Genzyme | 2 | 46 |

Source: Nielsen Monitor-Plus (nielsenmedia.com)

— is nullified by ad-skipping technology such as TiVo. Increasingly busy lifestyles also reduce consumer awareness of advertising.

"We cannot ignore this pressure of people just not having downtime in the traditional way that they did, and so it's more of a challenge for us to educate in their peripheral vision," Ms. Walsh says. "If we're not reaching them in their peripheral vision in multimedia formats, then we're missing an opportunity to catch them in these moments of reprieve that they have. We just need to add this to the list of things that we're doing to reach the consumer."

Ms. Walsh believes that although integrated marketing has been discussed in the pharmaceutical industry for many years, most of the top companies are still spending enormous amount of resources in mass advertising. "I'm not sure that that's where our consumers are getting most of their information today," Ms. Walsh says. "I'm not suggesting that mass doesn't have its place. I just think that it should be a more balanced portfolio. Reaching people where they are, in their lives, as they live them, is more important than it ever has been before."

In direct-to-patient promotion, marketers must identify consumers who are likely to self-diagnose or to ask doctors for a brand by name. "It's very difficult in mass media to bring people into the fold because your message is distributed so broadly," Mr. Buta says. "There are lots of baby steps in the process a consumer goes through that you can't forget about. And that's where mass marketing leaves off and direct-to-patient marketing picks up the ball."

Many traditional consumer marketers view direct marketing only as a consumer contacting a call center or visiting a Website after viewing a commercial and receiving a fulfillment packet in return. From a direct-to-patient marketing perspective, however, that is the beginning. "The packet you send to each needs to be different, and the follow-up you give after sending the packet needs to be different." Mr. Buta says. "That's the part where traditional advertising leaves off, and we pick up the ball."

Direct-to-consumer promotion of pharmaceutical products is still young. The focus is shifting because marketers are only now figuring out where DTC promotion works and does not work, according to Jay Carter, senior VP, director of client services, Abelson-Taylor Inc. (abelson-taylor.com). "That's going to be one of the shakeouts that we're going to see in the next 12 to 24 months," he says. "Based upon the current scrutiny, I predict that we're going to see companies whose portfolios aren't going to benefit from direct-to-consumer promotion come out against it. They're going to look for their own self-interest, and they're also going to try to protect themselves from any possible fall-out."

Mr. Carter views DTP promotion as a part of DTC promotion. In the past year, Abelson-Taylor has hired a consumer professional to lead a DTP initiative within the agency. Managers would like to expand the agency into a DTC shop. Abelson-Taylor has recently received its first DTC account. The agency has been named joint agency of record with Cramer-Krasselt for a new DTC account from **Takeda** Pharmaceuticals North America Inc. for the consumer launch of the insomnia drug **ramelteon**. Abelson-Taylor has served as Takeda's professional agency on ramelteon since 2004. (See related story on page 68.)

"We partnered with Cramer-Krasselt, an agency that's done Super Bowl advertising," Mr. Carter says. "We partnered with a shop that really is good at mass marketing. Ideally, we'd like to be media agnostic. We don't care if it's a TV spot, or it's the Web, or it's local papers. It's what will move the brand best and strategic analysis that will drive to that."

## MEDIA Direct-to-consumer advertising expenditure

| Media | Expenditure in 2004 | Expenditure in 2003 |
|---|---|---|
| Network television | $1,614,400,850 | $1,172,285,250 |
| Cable television | 1,112,717,639 | 749,424,688 |
| National magazine | 1,043,854,735 | 974,999,750 |
| Syndicated television | 322,387,763 | 249,179,328 |
| Spot television | 175,045,124 | 149,941,625 |
| National Sunday supplement | 48,898,925 | 60,331,598 |
| Internet | 41,271,420 | NA |
| Network radio | 38,080,859 | 35,068,043 |
| Local newspaper | 36,400,340 | 36,921,332 |
| National newspaper | 27,154,925 | 16,460,145 |
| Hispanic network television | 25,372,250 | 16,045,665 |
| Spot radio | 16,999,801 | 18,700,094 |
| Outdoor | 8,071,807 | 4,652,783 |
| Spanish cable TV | 1,697,855 | 0 |
| Local magazine | 197,817 | 543,864 |
| Local Sunday supplement | 27,360 | 37,730 |

Note: Promotional expenditure includes consumer promotion via Websites and nonbranded advertising. Internet expenditure for 2003 not applicable due to methodology change by Nielsen Monitor-Plus.

Source: Nielsen Monitor-Plus (nielsenmedia.com)

Takeda submitted its new drug application for ramelteon in September 2004. If approved, ramelteon will compete with Sanofi-Aventis' $1.77 billion insomnia drug **Ambien**. The product will also compete with **Sepracor** Inc.'s **Lunesta**, which was launched in April 2005. Promotional efforts for ramelteon will have to fight for attention with the aggressive direct-to-consumer launch ads put out by Sepracor (sepracor.com) and the equally strong response from Sanofi-Aventis.

Tim Rudolphi, director, neuroscience marketing, Takeda (tpna.com), is in charge of planning the ramelteon marketing effort. According to Mr. Rudolphi, choosing the combination team from Abelson-Taylor and Cramer-Krasselt to handle its consumer business provides the best of both the DTC and DTP worlds.

"We had a lot of consumer agencies come in and pitch the business, and then we had this concept of Abelson-Taylor and Cramer-Krasselt coming together," Mr. Rudolphi told *Med Ad News*. "Cramer-Krasselt is an outstanding consumer agency, but then you combine that with the knowledge of Abelson-Taylor as a professional agency, and you've now got this now mix of a consumer agency that has a knowledge base around direct to patient promotion."

Mr. Rudolphi believes that the insomnia category is ideal for a broad, mass marketing approach, as well as a more targeted direct-to-patient approach. "It easily falls into the category of being a DTC type of medical condition," he says. "You've got this large, undiagnosed, untreated population, so you do want to cast the net to the consumer to get them in to talk about their condition. Once you've got them, though, insomnia does, in fact, also fit the DTP strategy."

Patients can have many questions when taking a drug such as ramelteon, such as when to take the drug, how often, and whether the product is addictive. If the marketer can form a relationship with patients, the marketer can provide them with the information to help them make decisions about the product.

According to Mr. Rudolphi, the industry, historically, has not been good about fitting its marketing strategy to the therapeutic category. "A lot of people have just run out there with DTC and DTP independent of whether it actually fit their strategy or not," he says.

Mr. Gascoigne agrees that successful marketers have come to understand that DTC promotion is not for all drugs and therapeutic categories. Although the strategy can be a key driver of success for consumer-driven or specialty markets and for brands with little or no third-party coverage, the strategy does little to help certain categories, such as medications for obesity and weight loss. A combination of factors, including the size and price of the brand, need to be assessed before a decision to use DTC promotion is made.

Meanwhile, for specialty brands and disease states such as multiple sclerosis and diabetes, direct-to-patient promotion is useful because the reach is not broad. "You can really cast your net to the right people, you can do it in a relatively inexpensive fashion, and you can communicate the benefits of your brand with them," Mr. Carter says. "A lot of that happens to be on the Internet because the Internet is exquisitely cost-effective."


**The most-promoted asthma drug in DTC, Singulair, experienced a decrease in consumer ad spend of 6.8% to $121.6 million.**

Many pharmaceutical marketers are seeing the benefit of using the Internet for one-to-one marketing, according to Ian Cross, co-founder and CEO, I-Site (i-site.com). The Internet brings value as a location where other marketing channels can steer people to get more information and to become part of an interaction.

Mr. Cross believes that marketers will put an increased focus on the user experience. This involves two components: getting consumers who may be motivated and interested in finding out about a brand through the Web program, and then driving them through to some form of call to action that can result in a prescription and ultimately a sale.

"What we're seeing right now is a lot of investment and time being put into engine optimization and search engine marketing," Mr. Cross says. "There's a good reason to do that because you want to be able to direct people toward your content, but then the key question is, what are you really doing to convert them and what are you doing within your existing Web program to get that potential patient to be a patient?"

In terms of customer relationship management, the Internet has been most successful in providing online places for people to interact and talk about their condition and share stories. These sites can be sponsored by pharmaceutical companies, but frequently, they are driven by associations and support groups.

"Definitely some companies have sponsored those types of initiatives or attempted to set them up themselves," Mr. Cross says. "Where it's trickier to set them up yourself is that element of trust and credibility. With the industry being under a lot of scrutiny, a lot of times patients want to be in an impartial forum. But the Internet is a fantastic outlet and medium for people to be able to communicate online about their condition."

Analysts with Manhattan Research, a health-care marketing information and services company, found that more than 45 million consumers are now using the Internet for drug information. This provides a prime opportunity for pharmaceutical companies to leverage online venues for building relationships with consumers, these analysts say.

"In light of recent developments linking some high profile pharmaceutical products with the risk of adverse consequences, the industry is rethinking how it develops and sustains its relationship with consumers," says Mark Bard, president, Manhattan Research (manhattanresearch.com). "We are seeing a shift from marketing to the patient through such broadcast venues as television advertising to truly educating the patient. Consumers who may be looking at television drug commercials with a wary eye are increasingly turning to the Internet as a source of information."

According to analysts with **Cutting Edge** Information (cuttingedgeinfo.com), Websites that reach out to patients can portray a pharmaceutical company as a partner in health care instead of as a product manufacturer. This position increases consumer trust in the company and drives long-term consumer relationships. To increase patient compliance, drug companies are expanding their disease-management programs by determining consumer-preferred delivery methods and communication channels.

An example of an effort to reach patients is a Website launched by the New York University School of Medicine and Pfizer, the maker of the erectile-dysfunction drug Viagra. The Men's Sexual Health Referral Network at sexualhealthdoctors.com is an online listing of health-care professionals who treat male sexual conditions such as erectile dysfunction. The site was developed to provide potential sexual-health patients with easy access to a network of highly qualified and committed health-care professionals and an online resource in which they can research regional experts.

**Bayer Biological Products** (bayer.com) has launched a Website to educate the hemophilia community about its product **Kogenate FS**, and provide information on the programs and services the company supports to help hemophilia patients. Kogenatefs.com also contains facts about hemophilia and disease management.

**Organon** USA Inc. (organon.com), marketer of **Follistim AQ Cartridge**, is sponsoring a Website that deals with infertility. Fertilityjourney.com provides guidance in managing fertility issues, support in locating medical providers, and access to resources that will help patients meet their personal needs. The Website includes a link to Follistim AQ Cartridge, which is indicated for the development of multiple follicles in ovulatory patients.

According to Mr. Cross, connecting with patients is vital because often the most motivated person in the health-care process is the patient. Physicians are bombarded with messaging and marketing materials, but their time is limited. "Often the person who has time to understand the condition and learn about it and interact with other people is the patient," Mr. Cross says. "The Internet is all about your target audience motivation and how they want to be reached."

Companies that are successful in managing relationships with patients are the ones that understand what the patient is looking for and that are able to balance communication channels. "You're not just operating in one channel: TV as opposed to operating in interactive, as opposed to operating through magazines," Mr. Cross says. "It's how you combine these and give the patient or the potential patient the overall experience that they're looking for."

E-marketing should not be viewed as a standalone method of marketing, according to Mr. Buta. "No channel should be a silo," he says. "E-marketing complements other channels, like direct mail and the call center, in a compelling way."

For drug companies that market medications for chronic conditions, building community and creating an ongoing dialogue with the patient is important. E-marketing initiatives can lead to more specific database-type marketing efforts. This is an area with which the industry has a lot of experience in marketing to physicians, according to Mark Perlotto, executive VP, chief marketing director, Adair-Greene (aghealthcare.com). Although very little prescribing data or interest level data existed for physicians 20 years ago, today marketers can segment data down to individual physicians and determine facts such as how many prescriptions they have written in the past month

"There's a lot more demographic and specific data available on doctors," Mr. Perlotto says. "There's going to be a continual shift towards that for patients as well. That presents a different challenge because obviously conditions that patients suffer come and go; it's not something that they see or treat or deal with on a day-by-day basis all the time."

Mr. Perlotto believes that the physician's office can be an effective way of targeting patients. "We still have the challenge with the learned intermediary having to write that prescription," he says. "If you can attach yourself to that patient's top-of-mind for a particular problem or issue when they have that immediate opportunity in the waiting room, waiting to see the doctor, then they can go ask that question. That's the ultimate of being able to reach it at the right time and at the right location because they can immediately take action on that. The closer we can get to that interaction of when a physician actually puts pen to paper and prescribes that product for the patient, the more likely we're going to be able to have an action take place."

The major challenge in using the physician's office to reach patients is that the office is a controlled environment that can become crowded with posters and marketing materials. "The question then comes down to, what is the value and content of the information you're putting in there?" Mr. Perlotto says. "You have to make sure that not only does the patient value the information but also the doctor sees value in the patient having that information. That's going to create the more likelihood that the physician would be willing to use those materials and educate the patient or make them aware of the options that are available to them."

Executives with Grey Healthcare Group believe that the physician's office is a critical but underused outlet. These executives see in-office communications as part of a total communication plan that identifies the target audience of a brand and finds the opportunities that are available to make patients more aware and knowledgeable about their condition.

Mr. Klein pictures a pendulum with brand awareness on one side and education on the other. "As the pendulum swings back toward education, DTP has to play a more prominent role," Mr. Klein says. "Consumers want to understand why their doctor is writing what they're writing. Most physicians don't take the time to do that. So, if they're not going to get that directly from their physician, they want to be able to go somewhere to get it.

"Of course there's varying levels of credibility once they leave their doctor's office, starting with their pharmacist at the top, probably going all the way down to a company's own Website, but nonetheless, it's still important for companies to be able to communicate in that more direct-to-patient way on a lot more of the rational reason to believe."

Mr. Klein believes that marketers must have an understanding of the physician/patient dynamic. "What this has to be about is creating a better dialogue in a physician's office, with a better-educated patient," he says. "To do the best job of that, the shift in thinking that's needed is almost a return to the roots of DTC."

Executives with Grey Healthcare Group agree that more emphasis is needed on an awareness of the interaction between the physician and patient. "It would be a crying shame if direct communication to consumers was abolished as a reaction to, perhaps, the pendulum swinging too far to the commercial side," says Jane Parker, group president, worldwide, Grey Healthcare Group (ghgroup.com). "The one thing that we can't lose sight of is that people are intelligent and can think for themselves, so you want to get out there with an appropriate message; you want to make sure that the dialogue that happens across the table at the doctor's office is a meaningful dialogue where the expectations are aligned."

Direct-to-patient promotion is expected to constitute a greater portion of clients' budgets as communication tools are developed that can prepare the patient to have a meaningful discussion with the physician during an appointment.

"We believe very strongly that no communication should be going to patients that doctors aren't made aware of," says Beverly Beaudoin, senior VP, Avenue Grey, the direct-to-professional and direct-to-consumer customer-relationship-marketing agency of Grey Healthcare Group. "Doctors should know what's going on in the marketplace with a particular brand."

Mr. Klein believes that if marketers can educate consumers and patients on their disease state and why the medication they are taking is a good choice, there will be a positive impact on compliance rates.

Executives at Flashpoint Medica (flashpointmedica.com) believe that examining and finding ways to influence the interaction between doctors will be one of the major shifts toward direct-to-patient promotion.

Flashpoint Medica executives say DTC promotion works best as a broad medium to drive patients into doctors' offices to self-identify a constellation of symptoms and sometimes teach patients to ask for a brand by name. The focus of DTC promotion is on the acquisition of new patients who need to be recognized as suffering from a giv-


Consumer expenditure for the allergy drug Flonase increased 40.9% to $121.8 million.

en disease. Direct-to-patient promotion, on the other hand, is a more narrow-medium method that more efficiently targets those patients with a known condition and provides practical help with adherence to disease management and therapy.

"For us, the doctor-patient encounter has now emerged as the new space within DTP that is ripe for exploration," Ms. Bernstein says. "We define the doctor-patient encounter as the critical moment ... that unique piece of time where the patient is with the physician and focused completely on instructions for the management of his or her own health care. In this arena, there is clearly and undeniably room for improvement in communication that will result in patients retaining more information from the visit that will be useful to them in managing their disease."

Flashpoint Medica is creating tools that tackle barriers to optimal communication. For example, a core piece in Flashpoint Medica's hypertension work addresses the issue of potentially off-putting styles of physician communication and offers tips for putting patients in the right mindset for receiving information within the first moments of the visit. Another piece in the program offers patients with a known chronic condition a chance to use their time in the waiting room to prepare for the visit, organizing pertinent questions that will be most helpful to managing their hypertension.

"Physicians with whom we've tested these tools have reacted positively on many levels, not the least of which has to do with their welcoming useful, customized patient communication tools that improve a patient's comprehension without taking more of a physician's time," Ms. Bernstein says. "In addition to providing a valuable service to physicians and patients, these materials can be appropriately branded to a wide variety of relevant medications, making them an attractive proposition to pharmaceutical marketers."

Although questions remain about the benefits of direct-to-consumer prescription drug advertising following the withdrawal of Vioxx and Bextra from the market, 70% of adults in the United States agree that drug manufacturers should be able to advertise their branded prescription drugs directly to consumers, according to a survey by the Health Division of Ipsos-Insight, a market research company.

Even with the safety issues that have surfaced in the months following the demise of the cox-2 inhibitor class, consumer support for drug advertising is consistent with the belief that the benefits of prescription drugs outweigh the risks associated with taking them. In the Ipsos survey, conducted in March 2005 among a U.S. representative sample of 1,000 adults 18 years old or older, 69% of respondents confirmed that they recognize the trade-offs in safety versus risks of prescription drug use.

"Americans want as much information as they can obtain when it comes to managing their health care," says Fariba Zamaniyan, VP and spokesperson, health practice, Ipsos-Insight (ipsos-insight.com). "The privatized health-care system in the United States further empowers consumers and patients to become a part of the decision-making process when it comes to the treatment of their respective chronic and episodic health needs."

Of adults surveyed by Ipsos-Insight, 85% agree that FDA should require drug manufacturers to conduct additional studies on the safety of prescription products once they are on the market. The survey found 53% of adults believe that drug ads are a key driver behind the rising cost of prescription medications. In fact, four in five adults agreed that prescription drug prices are one of the leading reasons behind the rising cost of health care. Almost two thirds strongly believed this statement.

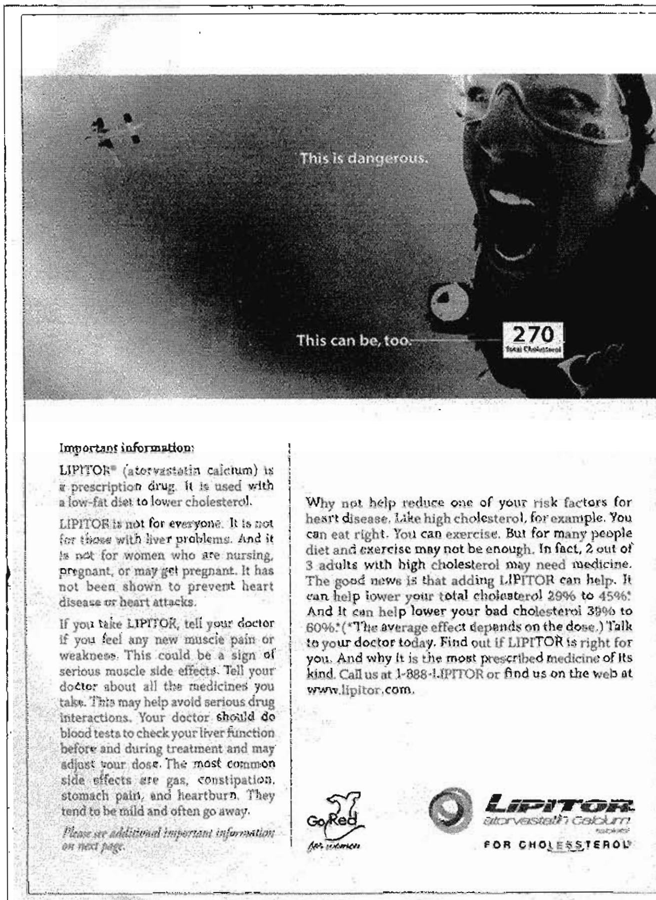
"What this begs for is more education, both from manufacturers as well as government," Mr. Zamaniyan says. "Given the nature of our society, Americans want advertising because they expect to be informed by any medium that is feasible and easy to understand. In addition to providing disease education, the public expects drug manufacturers and their governing agencies to make them well informed of the drug discovery process and the availability of treatment alternatives to achieve positive health outcomes and support longevity. Advertising enables this execution with its broad reach."

Despite the negative perception of the pharmaceutical industry, likability and believability of drug advertising was relatively high in 2004. According to NOP World Health data, 40% of consumers found ads to be very likeable, compared with 17% who found DTC ads not at all likeable. Advertising fared even better in terms of believability, with 57% of consumers finding drug ads very believable and only 15% finding the advertising not at all believable.

"We actually did this in September right before Vioxx and all of the other troubles began," Ms. Ramspacher says. "We have not fielded this again since then, so, one can assume that that may be impacted in a negative way. But prior to that, every year we always saw the believability was somewhat higher than likability, and our hypothesis has been that perhaps some of the subject matter of the disorders being discussed were not particularly likable, but they felt as if the advertisements were believable."

Ms. Ramspacher believes that by reallocating advertising dollars toward disease awareness and disease education ads, the industry could begin to regain public trust. As an example, she cites the Healthy BP campaign recently run by Novartis.


**Last year $118.4 million was spent in promoting the blood-disorder drug Plavix to consumers, an increase of 31.3%.**




**Consumer promotional spend for Lipitor, the top-selling prescription drug in the world, increased 9.5% to $119.6 million.**

Promoting **Diovan HCT** and **Lotrel** in the highly competitive antihypertensive market, Novartis (novartis.com) launched the national initiative, Take Action for Healthy Blood Pressure. The program is designed to unite health-care professionals and patients in the fight against uncontrolled high blood pressure. The program includes an offer of a 30-day free trial of medication and a money-back guarantee.

Novartis is using the Take Action for Healthy Blood Pressure campaign to build a continuing relationship with customers. Participants in the program will receive tools to help them reach and maintain their blood pressure goals, including access to a members-only Website with information on healthy blood pressure, a heart health quiz, a blood pressure tracking diary, doctor discussion guide, heart-healthy recipes, exercise tips, and ongoing personalized support. Patients who are prescribed selected Novartis medications will also receive a blood pressure monitor free via rebate from **Omron** Healthcare Inc. (omronhealthcare.com) as well as a free 30-day trial of medication.

By focusing on disease awareness and disease management advertising as opposed to advertising a specific brand, pharmaceutical companies may be able to better motivate consumers. According to Ms. Ramspacher, generally speaking, the already diagnosed and already treated patients are the ones who tend to respond to advertising. The industry has been less successful in motivating the untreated, undiagnosed sufferers. This represents more than 50% of sufferers in many large categories, according to NOP World Health.

As the industry shifts to more focused direct-to-patient promotion, Mr. Klein fears that the art of advertising may become lost in the process. "Nobody's waiting for your ad to come on TV," he says. "So we still need to be advertising agencies, and we still need to be able to produce ads that stop people and make them pay attention. One of my concerns, and it's one of the reasons why the pendulum began to swing the way it did, is that it's easy to do a boring ad that gets all the facts across, but who wants to watch it or listen to it or read it? The agencies that are going to succeed in the future are the ones who are going to be able to deliver the creative-side of the equation as well as the education side."

When creating the concept the marketer or agency is trying to communicate to the audience, the approach to producing the creative in direct-to-consumer and direct-to-patient promotion is the same, according to Mr. Carter. "The things that are driving us are five core criteria that we use whenever we look at any promotion, and that is relevance, distinctiveness, quickness, campaign ability, and emotion," Mr. Carter says. "When we look at DTC or DTP, we look really hard at the emotional component. It will kill a concept if it doesn't have sufficient emotion to, in our opinions, move the dial with somebody who's being exposed to it." ❑