GOOD PHARMA
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Pharma is a dirty word to some. Even to those with milder views, it’s an industry often painted with an unenviable public image. Negative portrayals of massive conglomerates that happily trade patient wellbeing for profits are too frequently projected upon the pharmaceutical sector from those outside of it. Indisputably, pharma companies are powered by profit, but so is any business. Revenue pays salaries and overheads. It’s the lifeblood of any company, big or small. Why then, does pharma get such a bad rep?

Because it matters. Because we are an ageing population terrified by the concept of growing old. Because we are more aware of our lifestyle choices, more informed about serious illness and more concerned about what it means to us. Healthcare is vital to protecting that most sacred of human commodities; our lives. It’s a big responsibility and so it’s perhaps natural that, as a wider society, we’re critical of those charged with looking after us.

So who should run pharma - shareholders or stakeholders? Both. At HAVAS LYNX we are passionate about improving patients’ lives and we know that the pharmaceutical companies we work with share this commitment. We believe that the key to long-term success is finding a balance between making money and making a difference. By combining moral and commercial drivers, companies can breed a long-term financial security that allows continued investment in life-changing innovations.

http://www.pharmacorruption.com

"Pharmaceutical companies are running a $280 billion money making scam... the truth is they don’t really care about us."

Dani Veracity

WHAT’S DRIVING HEALTHCARE?
A socially responsibly business strategy is no longer a matter of token philanthropic gestures. It’s a serious commitment to a better kind of business and it’s rapidly becoming the essential blueprint for the success of any company.

In order to understand why, we need to pay a quick nod to our modern environment. The explosive development of information and communication technologies has democratised information whilst breeding a sense that we are entitled to connect and interact with everybody (businesses included). Consequently, 21st century consumers are well informed, well connected and empowered. Social media has been a particularly powerful catalyst in this revolution, uniting individuals into a powerful and mobile global community that expects to be able to get information from who they want, when they want.

Some large and experienced corporations have struggled to adapt to these new conditions, with the likes of BP and Starbucks coming unstuck by the instant and fast-spreading judgement of the digitalised masses. Starbucks have been repeatedly chastised for over-inflating fair trade claims and employing aggressive business tactics. BP’s attempt to ‘greenwash’ their brand identity was put to the sword during the oil spill disaster in the Gulf of Mexico, most notably by an activist going by the moniker of Leroy Stick who ran a fake BP Twitter account (@BPGlobalPR). Such incidents are a warning: hollow, manufactured public images no longer carry any weight. In the present era brands are built on behaviour, not image. The businesses that prosper are those that look beyond the lining of their pockets.

"You can spend all sorts of time and money trying to manufacture public opinion, but ultimately, that’s up to the public... You know the best way to get the public to respect your brand? Have a respectable brand."  
Leroy Stick The voice behind @BPGlobalPR

MORE THAN A CHALLENGE: AN OPPORTUNITY

Whilst for some the consumer-driven environment has proved a challenge, for pharma it represents a massive opportunity. Patients are keener than ever for information and tools to help them understand and manage their condition. The modern age of digital self-empowerment has provided a range of platforms and structures through which pharma can interact with these patients.
A survey of global business leaders revealed that 73% felt that practicing social responsibility gave them the edge over their competition. It seems these business leaders are correct in their assertion. Far from limiting success, many organisations have flourished under the guidance of ethically driven strategies, generating new partnerships, opening up new revenue streams and improving efficiencies.

Marks & Spencer’s Plan A has revolutionised the moral practices of their business whilst bringing in returns of £70 million (see case study for more). The Blue Cross Blue Shield Association has seen what started as a sideline project, become highly successful in its own right. They fund Healthbox, an incubator for innovative healthcare entrepreneurs who want to develop their solutions and connect with investors from the wider industry. Healthbox’s accelerator programme is driven by an overriding moral objective to stimulate positive change. However, for BCBSA it’s also improved their brand and provided a wealth of earned media.

CASE STUDY

In 2007, British multinational retailer Marks & Spencer embarked on its bold Plan A scheme. M&S made 100 commitments to tackling issues around climate change, waste, raw materials, fairness and health throughout its supply chain over five years. The programme delivered significant improvements in the company’s ethical and environmental sustainability; energy efficiency has improved by 23%, 94% of all waste is now recycled and there has been substantial progress made in sustainable sourcing. Moreover, Plan A was a great fiscal success. It was predicted that M&S would need to invest £200 million in order to fulfil the 100 commitments made. Instead, the improvements more than paid for themselves. By 2010 the scheme had added £50 million profit, whilst 2011 saw this rise to £70 million. The success of Plan A has been so resounding that since 2012, M&S has extended the number of commitments to 180, with the intention of reaching this target by 2015.

Paul Polman CEO of Unilever

"The business benefits from ethical practices are not soft ones about reputation or image. They are hard measures of growth and margin improvement. Wherever you look, it's a no-brainer."
We’re highly aware of our purchasing power, recognising a buy as a vote of confidence. By combining a desirable and high-quality product or service with an ethical incentive, it’s possible for a brand to inspire a sense of civil liberty amongst consumers.

Shoe company Toms’ One For One scheme does exactly that. Toms pledge that for every pair of shoes bought, they will donate a pair of shoes to children from deprived areas. The simplicity of the scheme, the fact that customers can easily measure and understand the positive impact their purchase has, is at the very core of its success and has seen the company sell over 10 million shoes since 2006.

As consumers we may be quick to reprimand any dirty corporate antics, but the flipside is that we often feel compelled to support those who tread a more socially responsible path. To some, it might be surprising to discover how passionate we are on this subject. According to a major global study, three quarters of consumers believe that business has as much responsibility as governments in driving positive social change.7

7 Havas, Social Business Study (2010)
Pharma would do well to follow the lead of those in the retail sector who, like Toms, have adopted a strong moral grounding and communicated this in a way that impassions public support. And now’s the time. The industry is having to drastically rethink the way it does business and such approaches sit well alongside the wider reaching changes required.

Pharma has long struggled with the unsustainable nature of the patent model and ongoing global recession has aggravated this issue to a level whereby it is no longer tenable. Healthcare providers’ purse strings are threadbare. They simply don’t have the capital necessary to afford premium patent products. It’s time for pharma to invest in a new attitude, not new drugs. Companies can no longer work as suppliers to healthcare providers; we must act as partners.

This new business model demands that our thinking be more empathetic and our outlook more all-encompassing. Now, our role is to work with providers to address problems, looking at what we can do (to improve a patient’s life) as opposed to what we can sell. Pharma is no longer about making a pill, it’s about making things better, via whatever means are most appropriate to the situation and most effective for the patient.

This permeates all aspects of pharma including marketing, which is now a matter of communicating rather than selling. Its importance shouldn’t be underestimated; patient communications should be viewed as part of the treatment. High quality support can be a real point of differentiation, providing timely interventions that keep patients on track during difficult periods that may otherwise knock them off their recovery pathway.

At HAVAS LYNX we have contributed to a suite of resources that guides schizophrenia patients through recovery, focused around an adherence programme. Since implementation the impact has been dramatic: in a trial of over 100 patients relapse rates were reduced so significantly that some nurses estimated that the number of hospital days patients required had halved (see GO BEYOND THE PILL in the following chapter for more).
01. PUT PATIENTS AT THE HEART OF EVERYTHING

Nowadays, the ecosystem that surrounds a patient treatment programme is often highly complex, populated by an ever-increasing number of stakeholders. In such an environment, addressing the needs of every payer, GP, nurse, specialist etc., individually is impossible. Instead, we should consider the one common goal they all share; to improve a patient’s life. By addressing patients’ needs, by spending time really getting to the core of their fears and desires, all consequent outputs will be aligned with the goals of all stakeholders. Produce solutions that are good for the patient and you produce solutions that are good for all.

02. GO BEYOND THE PILL

‘Beyond the pill’ is a well-worn phrase in pharmaceuticals and its use is often clouded. As outlined earlier in this paper, the key is to consider our function as communication, not marketing or selling, and to recognise the potential of this role. It’s an opportunity to provide patients (and professionals in fact) with information and tools that can dramatically improve their treatment outcomes.

By assessing patient needs throughout the whole treatment cycle, we can develop resources that put patients in control of their care and alleviate the pressure on professionals. The result: treatment programmes that garner better results.

Our work in schizophrenia supports patients along every step of their recovery:
1. Seeded content to raise awareness about the importance of continuous medication and encourage patients to seek out more information.
2. Detailed online resources to empower patients with a wealth of information.
3. Apps and tools to facilitate discussions about treatment between patients and professionals.
4. Treatment trackers to record progress and provide timely encouragement.
5. A Maintaining Adherence Programme (MAP) to assist in administering, monitoring and tailoring care.

03. BE TRANSPARENT, QUICKLY

The issue of transparency is, of course, a contentious and far-reaching one in pharmaceuticals. However, we must do everything we can to communicate with patients in an honest, personable manner. Patients are not interested in fruitless communications delivered in corporate jargon. They are tired of having their interactions limited by pharma companies still cautious about social media. Ignoring difficult issues will not make them disappear; it’s talk or be talked about. Frustrated and frightened patients will take complaints elsewhere, leaving them open to poor advice from unregulated and ill-informed sources.

To avoid this, we need to show integrity, leadership and accountability, as Johnson & Johnson proved during the Tylenol scare (see case study). We should actively engage patients, responding quickly and effectively. Only then can we hope to foster a relationship of trust with patients; a relationship that will see them returning to regulated sources for advice, rather than to a lottery of online forums.

RECOVERY
When not properly monitored, ‘big data’ can be too big, and distilling valuable conclusions becomes a matter of looking for a needle in a haystack, without knowing whether there’s a needle there at all. We need to improve the methods we use to mine useful insights from this data. In order to do this, we need to start thinking about data more intelligently. Instead of analysing what we have, we should consider what we would like to learn from our collected data and design systems accordingly. The packaging of this information is vital and it is imperative that we distribute our findings to those who will benefit (e.g. channelling insights from patient campaigns to professionals so that they might better understand their patients) via interfaces that they can easily interpret.

We can’t do it all alone. We must look to collaborate with partners who have expertise in different sectors to our own. Relationships with those pioneering emerging technologies may prove particularly fruitful and our partners may come in all shapes and sizes. In its partnership with Patagonia, Walmart has demonstrated that you’re never too big or too successful to learn from somebody small. The world’s number one retailer, with revenues of nearly half a trillion dollars, is currently seeking advice on its supply chain from an outdoor clothing company 1300 times smaller than itself. Why? Walmart respects Patagonia’s unrivalled reputation as an innovator in environmental sustainability and recognises that this expertise can help change its business for the better. Looking at the companies that Healthbox represent, it’s clear that niche technologies are particularly rife with small start-ups. Yet despite their size, these companies are responsible for some of the most exciting innovations seen, not just in healthcare, but in all emerging technology.

04. SHARE AND USE DATA

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05. COLLABORATE TO INNOVATE

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CASE STUDY

In 1982, Johnson & Johnson faced a huge crisis in the U.S. after it was discovered that an unknown individual had tampered with packs of Tylenol (a painkiller), spiking them with cyanide and causing the deaths of seven people in Chicago. Their reaction was swift, driven solely by a desire to protect the public. J&J ordered a nationwide recall and the product was not reintroduced until its future safety was ensured. Although the response cost in excess of $100 million, its diligence and effectiveness earned the public’s respect and ultimately preserved consumer faith in the brand. Consequently, five months after the crisis, Tylenol had recovered 70% of the market share.

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Looking forward, the weight of investment in corporate responsibility by big businesses is a fair marker that the value of moral drivers as a currency of success will continue to increase. Studies have shown that ethically minded businesses perform better on the stock market and major brands such as Puma are developing key performance indicators that put a financial value on ethical and environmental outputs.

Similarly, the power of communication looks set to rise exponentially, with Facebook chief Mark Zuckerberg predicting that our rate of sharing (a good measure of our use of social media) will double year-on-year.

Given the impact social media has had on our lives so far, it’s fair to say that we can expect patients to become more vocal and empowered, and that opportunities to interact and engage with them will multiply. Through social media and other digital channels, the number of interactions and the amount of data we can track grows larger by the day, as does the potential to generate meaningful insights. Grand phrases such as ‘augmenting clinical experiences’ can wrap the matter in confusion. The bare bones is this: whether looking at data around genetics, medical histories or online interactions, there is a tremendous amount of information available and we need to maximise the technologies at our disposal to translate this into something that can make a difference to people’s lives. In looking after big data we can better personalise medicine, targeting increasingly specific patient-types and better defining markets to develop more effective solutions that benefit stakeholder and shareholder alike.

A NEW AGE OF TRUST AND RESPECT

Pharma finds itself on the cusp of a tremendous opportunity. Patients and professionals are increasingly seeking reliable sources of tools, services and information to enhance and ease their experiences. Healthcare providers are in desperate need of expertise to assist in streamlining services and improving patient care. Additionally, there is an ever-increasing artillery of emerging technologies that, harnessed correctly, will have incredibly meaningful benefits in the field of medicine. These three forces are all vying for change in healthcare and all three need pharma to orchestrate a scenario where this is possible. But, all three demand that pharma demonstrates that it has their interests at heart, that it is ethical, that it is responsible; that it is good.