



PBIRG Perspective

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Letter from the President

Dear Industry and Affiliate members,

When I joined PBIRG 5 years ago, I did not expect that someday I would lead this great organization. On the day I was elected President of PBIRG, I could not have been more honored and excited. I was honored by the confidence the marketing research community was placing in me. I was excited because serving in this position would give me the opportunity to contribute to making PBIRG a leading not-for-profit industry association dedicated to the advancement of global healthcare marketing research and business intelligence.

From the moment I assumed my President's position, the Executive team and I began working to build on the PBIRG legacy of achievements to reach new heights of success. We decided as a team to focus on the major issues that our industry is facing today and use our association to share ideas with our members on how to face and deal with the issues of constantly changing privacy legislation, diminished research productivity, rising development costs and evolving public healthcare systems.

We fundamentally believe in the ability of the market research community to embrace change and develop ideas for more flexible, efficient business models that will be key to each Pharma company's future success. We are eager to make PBIRG a center of unmatched excellence to which market research professionals look for value and innovative ideas.

Thank you for being part of our great organization. I hope you will be able to attend the PBIRG Annual meeting in Florida on May 20-24th.

Sincerely,

Dr. Branimir Brankov
President PBIRG

Classification Corner

This issue of Classification Corner is devoted to FAQ—frequently asked questions about the Classification Committee.

Q: Who are the members of the Classification Committee?

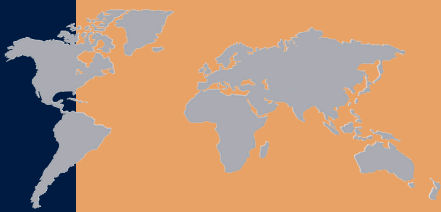
A: The Anatomical Classification Committee consists of approximately ten members. This has been found to be a size that is manageable and that supports open discussion. The Committee consists primarily of market researchers in member companies, plus non-voting IMS representatives. The primary qualifications for membership are knowledge of the international pharmaceutical market and experience with the databases. The most important goal is to have a specialist for each therapeutic area. Another goal is to have different countries represented on the Committee.

Q: How do people join the Committee?

A: Generally, when positions on the Committee are available, nominations for members who could meet the criteria are sought from member companies. Volunteers for the Committee could also be considered. For the benefit of both the nominee and the Committee, nominees for Committee membership are normally expected to try-out with the Committee for fit for a few meetings before officially joining the Committee.

In order to add value to the industry and the Committee, members are expected to serve on the Committee for at least two years. A medium-to-long-term commitment will enhance the experience for the Committee member as well as benefiting the Committee.

continued on page 11





2005-06 Officer Roster

2006 President	Branimir Brankov Merck & Co., Inc. PH 908.423.4847 branimir_brankov@merck.com
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Vice President Business Research	Open <i>Watch for ballot results</i>
Vice President Primary Research	Linda Lawrie Pfizer Inc. PH 212.733.6720 linda.lawrie@pfizer.com
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Professional Training & Development Committee	Jean DelAguila, Chair Merck & Co., Inc. PH 908.423.3368 jean_delaguila@merck.com
Primary Research Committee	Céline Wakrat cwakrat@gmail.com
Technology Issues Business Research Committee	Open <i>Watch for ballot results</i>
Membership Committee	Kay Lobo, Chair Abbott Laboratories PH 847.938.8484 kay.lobo@abbott.com
Public Relations Committee	Evlogi Itsev, Chair Merck & Co., Inc. PH 908.423.4924 evlogi_itsev@merck.com
2005-06 Member Survey/ Presidential Ad Hoc Projects	Wil Yates Pfizer Inc. PH 212.733.2205 yatesw@pfizer.com
Executive Director	Carol E. Reilly PH 215.855.5255 FX 212.855.5622 creilly@pbirgexec.com
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One of the primary benefits to the industry is that participation in PBIRG allows individuals from the pharmaceutical industry to actively represent the interests of their company on all industry-related issues. It also provides the opportunity to develop leadership skills, enhance industry knowledge, and gain exposure within the pharmaceutical arena. PBIRG Executive Committee members have the opportunity to develop a broad, overall perspective of the dynamics/inner-workings of the pharmaceutical business by interacting with other peers and leaders within the industry. We invite you to inquire as the exciting opportunities that await you on the PBIRG Executive Committee, creilly@pbirgexec.com.

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Business Research

Report from PBIRG Industry Issues Forum, January 2006

An Industry Forum on the subject of Patient Longitudinal Data was held on January 26, 2006 at the Loews Philadelphia Hotel, in conjunction with the PBIRG Networking Event. It was attended by full and affiliate members and led by Alice Burstein, Chair, Classification Committee/Past President.

The objective of the session was to explore the availability of patient longitudinal data (PLD) from the perspective of patient behavior rather than physician behavior. Participants in the session discussed the issues surrounding the collection and dissemination of PLD. The primary issue is how to obtain this information without violating patient privacy. While patient privacy is protected both in the U.S. and in Europe, researchers in the U.S. are able to obtain PLD without violating patients' privacy by de-identifying the patients. Can this be done in Europe?

It was found that the obstacles that need to be overcome include:

- Passing information across country borders
- Varying legislation from country to country
- Varying de-identification standards from country to country
- Use of Informed Consent

The participants also discussed the use of a safe harbor-certified company:

- Should the safe-harbor company be a pharmaceutical company, a market research agency, or a third-party?
- Is a safe-harbor necessary if the patient is not identifiable?

Various solutions were offered to address these issues. The following are a few of the many that were discussed:

- Negotiate with European governments to agree to a universal standard of de-identification
- Develop syndicated offerings of PLD
- Accept country variations in the data, as we have done historically with other types of data
- Explore how patient longitudinal studies dovetail with post-marketing surveillance studies that will soon be required for chronic treatments

Another suggestion was to form a PBIRG task force to study privacy issues and PLD. Several PBIRG members volunteered for this effort. If you are interested in participating, please contact Alice Burstein.

Alice Burstein and Kay Lobo

PBIRG Events Calendar

Mark it—be there!

2006	
May 20-24	Annual General Meeting, Fairmont Turnberry Isle, Aventura, FL
September 18-19	Education Workshop, location: TBA
2007	
May 3-10	Annual General Meeting, The Westin Savannah Harbor Golf Resort, Savannah, GA

Across the Industry

EphMRA	Tel +44 161 304 8262	www.ephmra.org
2006		
June 21-23	EphMRA Annual Conference—Athens, Greece	
November 28-30	The Research Toolbox Training Course, Brussels, Belgium	



PBIRG

SHAPING PHARMA'S FUTURE

INFLUENCING THE NEW BUSINESS MODELS

SUPERCHARGE YOUR CREATIVE THINKING ABOUT THE FUTURE!
DON'T MISS THE 2006 ANNUAL CONFERENCE KEYNOTE SPEAKERS

Greetings colleague! Mark your calendar now for **May 20-24** for the PBIRG Annual Conference at the Fairmont Turnberry Isle Resort in Aventura, Florida. You won't want to miss the program we have put together this year, including two dynamic Keynote Speakers who will help supercharge your creative thinking about our industry's future!

Register Now to Join Us in May!

PBIRG Executive Committee



Jonathan Peck,
Institute for Alternative Futures

Jonathan Peck,
Institute for Alternative Futures
Shaping Pharma's Future:
Influencing The New Business Models

Jonathan will deliver insights into the relationships between biomedical R&D, healthcare, economics, politics and ethics that can guide thinking about new business models. Learn about the opportunities arising from knowledge technologies that are today being pioneered by scientists trying to convert the flood of data from genomics, proteomics and the other scientific advances into information and ultimately knowledge upon which we can act.



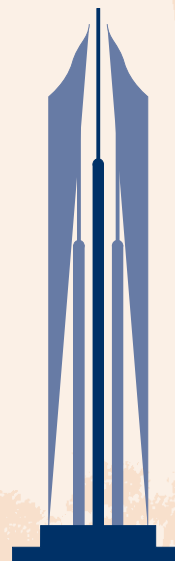
Michael J. Gelb,
Author of "How To Think Like Leonardo da Vinci"

Michael J. Gelb,
Author of "How To Think Like Leonardo da Vinci"
How Does One Adapt?

Michael will illuminate participants to make connections between diverse areas and potential alternative futures—how to think like Leonardo da Vinci. Be inspired to think differently, experiencing a more expansive, integrative and innovative paradigm for business and for life. Learn more about the da Vinci principles:

- **Curiosita**—An insatiable quest for knowledge
- **Dimostrazione**—Learning from experience
- **Sensazione**—Sharpening the senses
- **Sfumato**—Managing ambiguity and change
- **Arte/Scienza**—Whole-brain thinking
- **Corporalita**—Body-mind fitness
- **Connessione**—Systems thinking

PBIRG 2006
ANNUAL GENERAL MEETING



Faced with the issues of blockbuster patent expirations, diminished research productivity, rising development costs and evolving public healthcare systems, the ability to embrace change and evolve to more flexible, efficient business models will be key to each pharma company's future success.

Join your Market Research and Business Intelligence colleagues as we consider how Market Research and Business Intelligence can—and will—influence these new business models. Learn to inspire, implement and adapt in this changing environment.

Register Now! www.pbirg.com

Review the Full Program
www.pbirg.com

New Members

It is with great pleasure we introduce the newest PBIRG member companies and their products and services. Please visit the PBIRG website Membership Directory for detailed contact information (www.pbirg.com)

Kay Lobo



AlphaDetail

San Mateo, CA

www.alphadetail.com

AlphaDetail has served the global pharmaceutical community for the past five years. We support strategic decisions at every stage of a brand's life cycle. We have a strong background in a wide range of therapeutic categories and deep expertise in advanced analytic methods. We take great pride in our 100% on time record and our standard deliverable which include actionable analyses and recommendations. A sample of our delighted clients includes 7 of the Top 10. Our two leading service areas include full service Global primary market research and the "best-in-class" solution to identify and segment Key Opinion Leaders in any therapeutic category and at any geographic level.

Brand Health International

Harpenden, Herts UK

www.brand-health.com

Brand Health International is a UK-based brand research agency specializing in healthcare.

comScore Networks

Reston, VA

www.comscore.com

comScore Pharmaceutical Intelligence delivers the in-depth research analysis, critical for the development and optimization of online & offline brand strategies. comScore actionable insights derived from its groundbreaking methodologies, have been helping the top brands in pharma understand patient compliance and persistence issues, refine target consumer profiles, identify key alliances, optimize interactive marketing initiatives, benchmark against the competition and measure the ROI of Web site and online marketing.

comScore panel of 2MM online users offers invaluable insight on competitive intelligence, and it is the foundation for many of the methodologies enumerated above.

comScore recently introduced BAR Rx, a methodology based on surveys to highly targeted patients, intercepted when they fill prescription medications at approximately 30% of U.S retail pharmacies. The service covers 100 million patients annually filling over 1 billion prescriptions.

Dendrite International

Bedminster, NJ

www.dendrite.com

Dendrite International provides sales force automation support to the global pharmaceutical industry. With clients in more than 50 countries, including the world's top 20 pharmaceutical companies, Dendrite provides sales effectiveness solutions that allow customers to deploy educational messages and sales assets directly to prescribers and to provide a coordinated marketing strategy across the European region.

DoctorDirectory.com

Asheville, NC

www.doctordirectory.com

DoctorDirectory.com is an information resource company that provides a variety of marketing services for Pharmaceutical Companies and Marketing Research Firms. We support marketing research projects that involve on-line surveys among physicians and healthcare professionals by recruiting, optionally hosting, and paying the honoraria through our data base of over 700,000 physicians, 70,000 of whom have opted in for email access.

Epocrates

San Mateo, CA

www.epocrates.com

Epocrates market research services boasts the largest opted-in, verified panel of physicians and allied healthcare professionals in America. The size and responsiveness of the Epocrates Honors Panel is associated with the Company's popular clinical reference solutions that support clinicians' decisions on a daily basis. More than 80 market research firms work with Epocrates to recruit physicians and allied healthcare professions based on specialty, years in practice, geography and a host of other demographic variables. By working with Epocrates market research, you can confidently reach target respondents, recruit verified physicians and receive data in days rather than weeks.

EQ Healthcare Limited

Dorkin, Surrey, RH5 6NH, UK

www.eqhealthcare.com

Established in 2005 by Claire Engelsma (formerly Chidgey), EQ Healthcare is a qualitative consultancy providing international custom marketing research to the pharmaceutical and healthcare industries. Drawing on over 15 years' of global, sector and methodological expertise, EQ Healthcare provides the reassurance of hands-on senior level management at all stages of the research process.

Fitall & Associates

Washington DC

www.fitallassociates.com

Fitall & Associates was formed in 2004 and specializes in providing valuation and strategic planning support to biotech and pharma companies. Within the range of valuation tools available from F&A is a new technique that provides a fully risk adjusted valuation of pre-clinical assets that can be used as the basis for development decision support (especially in the field of acquisition and licensing)."

G & S Research

Carmel, IN

www.gs-research.com

G & S Research provides strategic market research and consultation services to global leaders of the pharmaceutical, biotech, medical device, and diagnostic industries. Since 1997, the fast-growing company has maintained a strategy to hire research professionals with an exceptional proficiency in the field of market research as well as deep experience in the life sciences industries. By delivering results that matter, G & S Research has become the preferred market research partner for clients ranging from well-known *Fortune* 100 pharmaceutical heavyweights to biotech start-ups. Visit the G & S Research website at www.gs-research.com for more information on the company's services, staff, clients and more.

Global Research Resources, LLC (GRR)

Washington DC Metro area (Vienna, VA)

www.grr-ltd.com

GRR is the only global marketing research fieldwork and project management agency focused solely on qualitative research within the healthcare industry. We specialize in multi-country studies and serve research agencies worldwide. Using only experienced, high quality medical moderators, and including an array of high value services, we enable our clients to deliver exceptional insights for their clients. With instant availability and continuous updates, we provide a seamless, single-source connection between our clients and their global qualitative research.

HCD Research

Flemington, NJ

www.hcdi.net

HCD Research is a marketing research firm specializing in traditional and e-based marketing and communications research services. Headquartered in Flemington, NJ, the company combines classical and sophisticated research techniques with innovative on-line applications to obtain comprehensive, meaningful data for customers.

Healthcare Information Technologies

Montreal, Canada

www.voxmedic.com

Healthcare Information Technologies provides strategic information and innovative targeted communication solutions using the latest call-center and e-learning technologies. These services include physician profiling, professional network mapping, virtual focus groups, needs assessments, CME and e-CME and practice audit programs. Our experienced professionals (55) share the common vision of strengthening the pharmaceutical community by providing quality interactive learning approaches that save time, enhance productivity and improve patient outcome.

Inpharmation

Henley on Thames, UK

www.inpharmation.co.uk

Inpharmation Ltd. specializes in mathematical market models for the pharmaceutical industry. In addition to building models, Inpharmation also provides "Evidence Based" training on forecasting and pricing for pharmaceuticals, software packages and market research for companies throughout the world.

INTAGE Inc.

Tokyo, Japan

www.intage.co.jp

As Japan's largest marketing research company, INTAGE has been a leading provider of marketing intelligence for over 46 years. Our "Total Healthcare" solutions include a wide range of ad-hoc research services, online research expertise, innovative sales force tracking tools, syndicated drug store (OTC) panel data, a wholly-owned CRO subsidiary, and more. Our bilingual research team and in-house field coordinators have years of experience in providing ad-hoc research services specific to the medical industry for domestic and overseas clients.

Lifescience Dynamics Ltd.

Maidenhead, Berkshire, UK

www.lifesciencedynamics.com

Lifescience Dynamics is a specialist life science consultancy dedicated to assisting clients in the areas of strategic market research, competitive intelligence, modeling, strategic advice and decision support. Clients include the top 20 global pharmaceutical companies, mature and emerging biotechs, medical device, diagnostics and other healthcare companies.

Maritz

Fenton, MO

www.maritzresearch.com

Maritz Research specializes in customer satisfaction and loyalty research. Maritz is the 10th largest research agency in Europe, with offices in the UK and Germany, providing research services in Europe, Russia, Asia, and Africa. Areas of expertise include automotive, telecom, IT, retail and consumer goods, hospitality, pharma and healthcare sectors.

MDLinx, Inc.

Washington, DC

www.mdlinx.com

MDLinx is a healthcare news and information website for doctors, pharmacists, healthcare professionals and patients.

QLT

Vancouver, BC, Canada

www.qltinc.com

QLT is a global biopharmaceutical company specializing in developing treatments for eye diseases as well as dermatological and urological conditions. We have combined our expertise in the discovery, development and commercialization of innovative drug therapies with our two unique technology platforms, photodynamic therapy and Atrigel[®], to create products such as Visudyne[®] and Eligard[®].

Q Research Solutions

Old Bridge, NJ

www.whoisq.com

Q Research Solutions is an independent consumer and opinion research firm located in Old Bridge, New Jersey. QRS has been providing market research solutions to marketing and research & development teams since 1983. Q is the choice for Pharmaceutical & Health Care clients to conduct marketing research among decision makers from physicians and managed care professionals to patients.

Research International

Stamford, CT

www.research-int.com

Research International Global Healthcare brings consumer insights into the pharmaceutical market. We have specialized teams of pharmaceutical researchers around the globe, embracing learnings and insights across multiple sectors. We use that knowledge to guide our clients through our unique innovation process and improve their market strategies from concept development through post-launch monitoring. We have spent the last four decades studying people in over 100 countries, let us use that experience to help you discover the link between patients, consumers and physicians.

SARGA

Clinton, NJ

www.sarga.com

SARGA Associates, a strategic forecasting company, located in Clinton, NJ, is dedicated to the pharmaceutical/biotechnology industry with emphasis on new products, lifecycle management, and in-licensing. We use a unique methodology to create customized patient based, event driven, market grounded models. Suited for highly complex markets, our methodology has the capability to include the impact of multiple future events to easily create scenarios to use for decision making. We understand the critical nature of our client's requests and offer unmatched experience and support.

The KOL Connections

The Patient Connections

London, UK

www.thepatientconnections.com

The Patient Connection is a sponsored research program, which surveys and examines patient communications within the environment of the physician's office to assist in office policies, communications, and processing. It looks at the influence of consumerism and assesses why people choose your practice. This assessment gives the doctor additional referral sources,



Peter Goldberg
(1944-2006)

Peter will always be Peter to those of us who knew him well. Exasperating one minute, while the next causing great merriment and mirth. His ability to use a variety of European accents to illustrate a story, switching from "German" to "Italian" and then "French" to "Irish" has had everyone rolling on the floor!

He was not a person "to take fools gladly". Peter was always committed to whatever he was dealing with. His ability to think "outside the box" and challenge the accepted norms set him apart from others in his quest to address issues. He often acted as a catalyst; he inspired and motivated others and was a strong mentor to all those around him.

Clients that worked with him and colleagues around him recognized that he always brought something extra, in terms of intellectual input that was cutting edge.

Peter was in some ways seen as a private person to those who did not know him well. However, to his close friends and colleagues he was a font of immense knowledge. It was always exciting to be around Peter as you never knew what was going to happen next!

There was much more to Peter than initially met the eye. His photography skills were exceptional. He was meticulous in using very complex computer technology to get the best results from the pictures he took. Often traveling miles and waiting for the right conditions to get a particular shot. He was fascinated by the advanced technology inherent in the most complex watches such as Audemars and older Rolexes that he owned. His passion for intricate machines was linked with his love of his Moto Guzzi (motorbikes). He even mentioned wanting to be a dealer for Swiss Tractors in the USA as an alternative to his market research career. He also loved music and films both old and new.

It was always a puzzle that someone with such widespread interests could manage to be so committed to everything—but he was a very special person in being able to do so.

Those who knew him cannot believe that he is not around anymore to enjoy his "big sky"; but we will all recall many and varied happy times—Peter will be missed. 🕊️

Reducing "Distance" To Better Build Insight In Global Studies

"Think globally, act locally!" is a catchphrase increasingly relevant to the pharmaceutical industry. There is pan-industry trend towards using a centralized research approach for conducting "worldwide" studies focusing on earlier-stage and strategically focused issues. Later-stage and more tactically-oriented studies are then initiated by within-country clients and are conducted by "local" agencies.

Building a strategic marketing platform for a global product launch very often leverages insight developed through research managed by a single or primary research provider—culturally and physically 'close' to the end-client. Naturally, a US-based client company may tend to contract for a single global qualitative study with a single US research supplier. So how do those suppliers "think globally?" Very often they tend to outsource data collection and leverage intermediary managers to channel data "up the chain" for final house analysis, by internal US consultants.

As they attempt to build truly insightful recommendations, such primary research agencies need to overcome two forms of "distance" that serve to marginalize the primary research team, complicating both the execution of the research and the interpretation of the results:

- **Physical distance**

Global research is often conducted simultaneously in many countries. Large physical distances limit the ability of primary researchers to consistently and thoroughly observe various components of the research, complicating the process of training interviewers, supervising research execution, and gathering, storing and manipulating data.

- **Cultural distance**

The degree to which there are dissimilarities between the cultures of the primary research agency and the countries in which the research is being conducted. This 'gap' can result in a lack of appreciation for factors related to the local healthcare and pharmaceutical distribution infrastructure; along with socio-ethno cultural factors shaping the data actually collected.

To illustrate the challenges, consider a global qualitative research study. To conduct in-depth interviews or focus groups in multiple locations hundreds or even thousands of miles apart within the same basic window of time, primary research agencies often employ outsourcing strategies that leverage many layers of researchers—perhaps an "international management agency," multiple local (in-country) research agencies, and multiple local project managers and interviewers.

This very clearly highlights the first challenge posed in Figure 1—specifically, multiple "researcher layers" are introduced to reduce the impact of physical distance. A broad-based hierarchal research team ensures that the data can be collected in a relatively short period of time. However, two problems potentially emerge—both of which are related to loss or compromise of critical information:

- As information about the overriding research objectives is communicated from the primary research agency through the various layers down to the local interviewers, their meaning is sometimes diminished. Despite on-sight briefings or teleconferences with project managers, the primary researcher is dependent on the interviewers' abilities to internalize the study objectives and be appropriately focused during unobserved interviews (e.g., with doctors in their offices).
- Interview data is "reduced" as it moves from the individuals conducting the interviews back to the primary research agency. Both what respondents actually say and the meaning of what they say (as interpreted by local researchers with an understanding of the "local

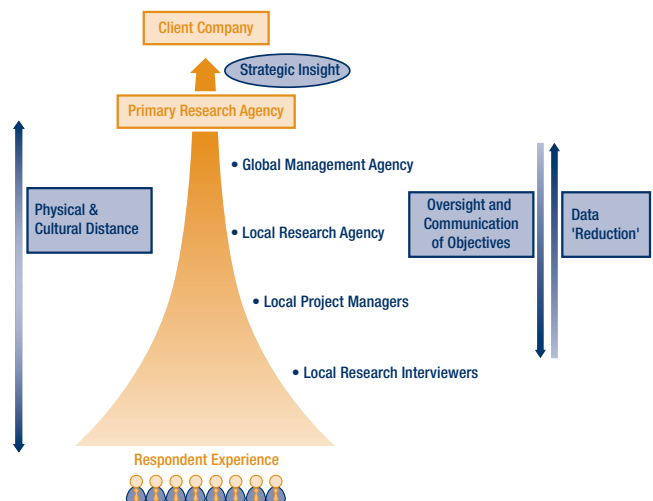
market context") becomes condensed (as per the study 'objectives'). At each stage, information that is deemed irrelevant at the lower level is "lost", and is not available to the primary researcher.

Each of these problems ultimately makes it more difficult for the research team from the primary research agency to use the data to build valid and powerful strategic insights that can then be communicated to the client. One commonly-used practice to mitigate these issues is to rely on translated transcripts of all the interviews that are conducted. This approach highlights the inherent tradeoff that researchers often make in attempting to reduce the impact of distance. Using transcripts reduces the impact of physical distance by minimizing the data loss that results when information moves back up the research layers. However, this approach actually increases the cultural distance between respondents and primary researchers. Firstly, data "nuances" can be potentially lost through the translation process. Secondly, understanding the "local flavor" can be compromised—the data as viewed and interpreted by local researchers who understand a particular market is lost. The increased cultural distance means that the data is interpreted and synthesized by researchers at the primary research agency who do not have an accurate understanding of the local cultures and, consequently, are less able to incorporate this into the communication of the results and associated strategic insights to the client.

To improve the global research process, it appears three principles would be helpful.

- **Narrow the distance** between the primary research agency and the ultimate research respondents by minimizing unnecessary layers
- **Leverage insights** available through researchers at each layer through effective partnership and teaming and knowledge exchange

Figure 1. Hierarchical management reinforces 'distance'



Industry Forum

In Pharma We Track The Launch... In Consumer They Track The Brand

What are the business needs, insights and decisions that tracking the brand supports?

This article argues that in Pharma, the global value of tracking is often too limited: tracking is sometimes seen as purely tactical and local market driven, therefore usually gets insufficient global resources. We argue that it should be shaped and positioned as a research process to manage the lifecycle of key brands. As such it should be more strategic and be more at the heart of brand development—by doing this, more long-term brand equity is established. The 12 months post-launch period is a critical time in which tracking has a key role in monitoring and directing brand **performance** and **positioning**. In the Pharma industry, these functional aspects are key to product success and are prerequisites for launch. However, after the launch phase, **brand values and equity** should also be tracked to support long-term brand development.

The key strategic intelligence elements of lifecycle management which need to be measured to inform the 'corporate dashboard' include: level of brand awareness, communication of 'right' message (in a competitive environment), usage in correct 'target' patients, endorsement (confidence in brand and future belief). The consequences of not assessing these things optimally mean that investment cannot be maximized and potential success is not transferred from market to market. Problems include:

- Ineffective medium (mis-communication of message, failure to reach target, or lack of impact)
- Positioning not credible (bad experience, barriers to use)
- Early warnings and positioning not picked up and collated centrally
- Ineffective tracking of the brand equity (no or poor recall or misinterpretation).

How best to meet local and global needs

At the global/regional level, standard tracking initiatives are typically short lived, restricted by launch budgets, and subject to changes in strategic focus and team composition (e.g. downsizing) and changes in ownership (e.g. switching to local markets). In an improved model, global/regional investment is bigger and earlier, and there is a focus on lifecycle management which involves getting new trials right and controlling proper roll-out of indications.

At the local level, tracking initiatives were historically better established and had more ownership (local sales targets), but (1) did not have the tools needed at global/regional level to guide strategic initiatives; and (2) communication to "learn" across markets wasn't critical. Today, any questions/concerns 'travel faster' (between patients as well as health care professionals) and we set benchmarks for common targets to monitor value.

Why the need for more critical global intelligence?

Today's increasing cost of market entry and increased competitive environment means there is more pressure on companies to optimize launch success of new brands and, increasingly, to invest in existing brands to maintain sales growth over time, driving market expansion with stronger brands, and to maximize value from existing brands.

The new model is bigger than tracking the launch

The new ideal is for companies to build a company-wide policy on monitoring through a wide range of tools. The past bespoke ad hoc tracking is now becoming integrated into the total 'corporate dashboard', to embrace both communication (and sales force) effectiveness, and brand image (health care professionals and patients) and prescribing.

For tracking to become a strategic tool to drive lifecycle management, we see five imperatives: studies must be designed to be more comparable /understandable, transferable, timely, consistent, and cost effective. All of these can be a challenge for large tracking projects.

- 1. Be comparable/understandable**—It is important to track against pre-set objectives/targets (not only on awareness and usage, but also against communication objectives). Ideally the corporate dashboard needs to be agreed at branding/positioning sign-off. When this doesn't happen, it creates comparability challenges. There needs to be a balance between wide input/ownership, yet one strong point of contact (avoiding the problems of design by committee). It is critical to build in time for transition and ownership of key performance indicators within local companies.
- 2. Be transferable**—There needs to be investment in dedicated country representatives within the agencies that can support directly, particularly in the US.
- 3. Be timely**—Data must be provided within days of finishing fieldwork. This requires extended resourcing, investment in IT solutions, and critical human skills to meet quality and accuracy (so is more costly).
- 4. Be consistent**—Core questions must not be designed in subsequent waves. One solution lies in modular design: this requires time commitment to design a tool that can be added to so additional market information needs can be accommodated.
- 5. Be cost effective**—Efficiencies can be created over time as the process and integration of data into the organization becomes systematic. There should be transparency of costs, and fieldwork budgets needs to be agreed with purchasing and local operating companies.

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Primary Research

In Pharma We Track The Launch...

In Consumer They Track The Brand (continued from page 7)

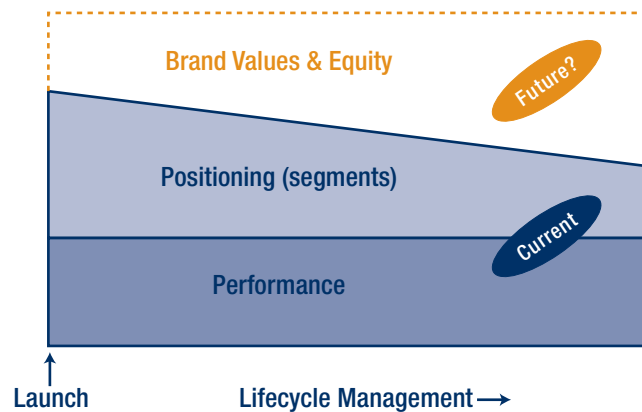
The hard part: how do we track brand equity?

Brand equity will be a function of practical and clinical performance, perceived value, and the feelings and confidence associated with the prescribing and taking the medicine. In what ways can brand equity be measured (tangibles vs. intangibles: the emotional vs. functional measures)? Key to this process is to build insight into levers for choice by capturing derived importance of intangible parameters, so that brand performance can be captured on each parameter. Intangibles include factors like perceived value, personality, reputation (of company generally or in a specific franchise area associated with the brand).

In summary, drug brands are built on a foundation of performance and positioning and we currently track these areas (see Figure). What is often missing is tracking brand equity, and we suggest that this will be an important addition to **future** tracking studies. Therefore, we need to develop a battery of techniques (emotional, visual, verbal) to build additional insight and understanding to better monitor stakeholder perception of brand values, and add this to quantitative measures used in tracking studies. This will allow us to fully understand brand values and equity and leverage its role in supporting key brand lifecycle management.



Figure: Components of tracking studies



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Industry Forum

Building Brands in Pharmaceuticals: Understanding Motivation

We all know that clinicians don't always prescribe rationally and we can therefore deduce that it is an emotional connection with the brands that motivates them to use it, thereby creating brand momentum.

But how do we define these softer values and understand their connection with the clinician?

You want to motivate your customer to use your brand and projective research has suggested that your brand is a Ford Mustang and your competitor is a Toyota Corolla but you know you need a more tangible understanding.

In a recent case history a client found that despite having a good understanding of their brand's personality they were unable to deduce why with more data than the competitor, they were creating less motivation.

In this article we explore ways in which an understanding of brand motivations can be made more understandable and actionable. This is one of a series of articles tackling some of the more complex issues involved in researching brands.

We suggest one key theme in understanding brands:

THINK SMALL *then*
think **BIG**

Think Small has several components

- Understand one target group well and then extrapolate out
- Understand one decision taken by the clinician well, then move on
- Understand the brand's relationship to your most important competitor well then extrapolate out
- Break down the motivation processes into small understandable chunks

Why think small?

If we think of all the connections a brand has with all its target groups then the task of understanding and evaluating motivation becomes much more difficult, and developing solutions that fit all parameters at once can create constipation in the marketing process.

Assessing Motivation—some issues

The first step in understanding the relationship between clinicians and the softer brand values is to assess motivations.

The common problems in motivational assessment are:

1. That clinicians can explain in a rational way but struggle to articulate emotional drivers
2. That there aren't any very good measures of motivations and therefore the research effort is focused on the rational things it can measure.

This is changing as good consumer research techniques are starting to be used more widely in pharmaceutical marketing allowing motivation processes to be better understood.

Breaking Down the motivation process

Here we recommend separating out the following components:

First – separate behaviour from attitude and don't expect the clinicians to explain the link between the two

Second – separate what is communicated by a brand from how it is communicated into 2 components

What to communicate? – messages—rational and emotional

How to communicate? – the motivational framework and communications strategy and execution.

For the first, be aware that clinicians will not tell you that they are motivated by innovation—you can deduce this if they use products they rate as highly innovative. There are good research models which match attitudes to behavior without the need to ask clinicians how they are motivated by using derived importance through factor and regression analysis.

For the second, we need good research techniques separately for message testing, motivational frame-work development research, from executional research.

If client and communications agencies share a common understanding of motivations (i.e. a common motivational framework) then it becomes easier for the agency creative departments to understand how to focus their effort and easier for the client to judge the executions.

Having worked for both client and advertising agencies, I can vouch for how a common understanding can lead to better communication and less heartache on the way.

Creating an understanding of motivations

The motivational framework that we recommend is called TAPprofiling®. It has 9 bi-polar dimensions (THINK SMALL) and has been developed out of NeuroLinguistic Programming (NLP) meta programmes. Meta programmes describe how people process information. Knowledge of the audiences' meta programmes provides a powerful method for influencing their behavior. An example of one of the dimensions relevant to prescribing is "Towards" vs. "Away From". This dimension answers the question, when taking the decision to prescribe a drug are my key customers motivated "Towards" a goal or "Away From" a problem and what does the brand communication assume? We can divide any motivation into 9 of these bipolar scales or dimensions.

Another dimension in motivational profiling is "Internal" vs. "External" referencing. If your target customers are internally referenced (i.e. make decisions or judgements based on their own experiences) there is little point in providing them with more and more clinical trials (external reference).

To motivate these clinicians the communication needs to focus on the experience of the individual clinician (through egg a single patient case history) and build the story out to the externally referenced data. If they are externally referenced ask who is winning the battle for the strongest external references i.e. the KOL strategy becomes critical?

In the case history we mentioned at the beginning our client wanted to discover why, despite having much more data than the competition, they were not succeeding in motivating their target. Once it was understood that the decision to prescribe was strongly internally referenced the marketing approach was changed and became more focused on individual patient case histories rather than on externally referenced data. This is work that we carried out 3 years ago and, as fundamentally motivations don't change, then the client is still finding this approach to be successful.

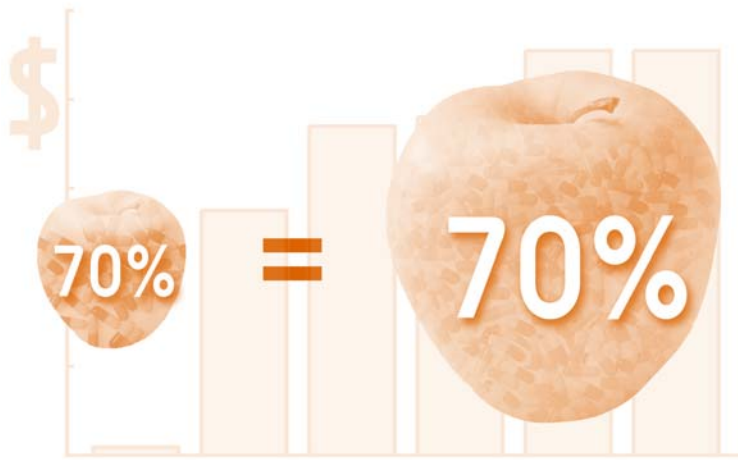
A further motivational dimension is "Options" vs. "Procedures"—in launching a new product we usually assume the customer is looking for a new option. In a recent study we found that, in deciding to prescribe a new brand, the majority of clinicians were procedurally motivated and therefore ignored communications emphasising new options. They wanted first and foremost to understand where the new brand fitted in with their current prescribing rather than being told there was a new option. Hence a new detail aid communication was developed with procedures at the front, which proved to be far more effective than a traditional approach with procedures at the end. One question we are often asked is how similar are respondents in different markets. We find that there is usually more similarity than differences in motivational profiles across countries. Also, there tends to be more homogeneity in pharmaceutical than consumer markets.

Good marketing ultimately is about creating momentum in brands. More and more we will need market research techniques where the least force has the maximum effect. Thinking small first, then expanding to think big in everything we do helps us to identify more focussed and therefore more effective strategies.

In a future article we cover the following controversial topic—are good ideas being killed by marketing research? 

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What's Wrong With New Pharmaceutical Forecasting?



I spend a lot of my time preparing forecasts for new pharmaceutical products. That means I also spend a lot of time thinking about those forecasts and talking to people all over the industry about forecasting. Probably the single most frequently asked question I hear is: “How do you go about translating

preference share into market share”? Since so much of the industry is accustomed to measuring preference share, it’s a natural thing to ask. That’s because it only takes a few examples to learn that a product’s market share rarely matches up to its preference share.

But the truth is there are a number of things wrong with the question. Taking a few moments to dissect those problems can reveal a lot about the right and the wrong ways to go about forecasting new pharmaceutical products.

For example, my first reaction is to wonder why the focus of the question is market share, when it should be prescription or sales volume? Usually, the people asking the question work for publicly-traded companies. These companies are evaluated by earnings growth. While it is often true that strong market share performance can lead to profitability, it is always true that volume is a much more direct and useful metric when the task is to project earnings. This is especially the case when the new product’s therapeutic category is or might be undergoing a transition.

Consider the history of the erectile dysfunction category. In the early 1990s, the therapeutic options were so limited and unappealing that total ED revenue in the US was well under \$100 million. In those conditions, how useful would it have been for Pfizer to ponder the potential market share for its new Viagra entry of, say, 70 percent? Since market share projections say nothing about category growth, a 70 percent market share can mean one thing in a static category but quite a different thing if the category is going to be expanding rapidly. In contrast, if the forecast is in sales volume—say \$500 million in the first year—then Pfizer’s earnings can be calculated directly by subtracting budgeted costs from this revenue. Whether that \$500 million represents a share of 70 percent or 30 percent doesn’t change those earnings estimates at all.

The second thing I think about when someone asks me the “translation” question is that he or she is implicitly assuming that preference share is the main (or only) thing that is needed for a good forecast. This is far from being true. There are at least two other factors that can be just as critical: [a] the likelihood that physicians will adopt the new product into their portfolio of treatments for the condition, and [b] the strength of the marketing and

promotional effort the pharmaceutical company will commit in support of the new product.

Let’s think about each of these two things in turn. First, let’s consider the difference between “preference share” and “likelihood to include a new product into my clinical portfolio”. The common preference share measurement, when used alone, measures how heavily physicians tell us they would like to use the product, and implicitly assumes that all physicians will write prescriptions for all drugs in the category, differing only in degree. But this is not really the case. For example, some products are rarely written by PCPs and commonly written by specialists. Isn’t it clear that there is an important strategic difference between the following two cases?

- “100 percent of physicians say they will prefer to use a new product 30 percent of the time” and
- “55 percent of physicians say they won’t use the new product at all, while 45 percent of physicians tell us they will prefer to use the new product two-thirds of the time”.

Of course, we all recognize the difference between these two cases. The targeting strategies we develop for our sales forces depend on carefully and rigorously distinguishing between these two situations. But a preference share approach masks the differences between them. From the perspective of a preference share approach, both situations are identical.

Once we add a measurement of “likelihood to include a new product into my clinical portfolio”, the dilemma is solved, and our forecasting exercise can be used to help with targeting as well. The point here is that preference share measurements are only useful among physicians who will indeed adopt the new product into their portfolio of treatments.

What about the strength of the marketing and promotional effort the pharmaceutical company will commit in support of the new product? I am

continuously surprised about how many forecasts fail to account for this factor. Generally these forecasts are built up by estimating category size from epidemiological factors and market share from preference share (adjusted by some “rule of thumb” translation factor). But consider this question: will the sales (or share) of the product likely be the same if it were launched with the support by 50,000 primary details versus 500,000 primary details?

Once again, we all recognize that when support levels are increased this dramatically, sales are likely to respond. But when forecasts aren’t sensitive to marketing and promotional support (as is the case for forecasts of market share that are based solely on preference share), those forecasts lose touch with the real world in which we do business.

So, what’s going on here? I believe that forecasts based only on translating preference share to market share **need** to rely on a translation factor **because** they fail to account for two other critical elements of any good forecast: likelihood to adopt and the impacts of marketing support. In contrast, forecasts that directly account for these missing factors don’t need the artificial correction that a rule of thumb provides. Even more to the point, the rule of thumb captures the **average** impact of likelihood to adopt and marketing support, and will therefore be accurate only if your new launch just happens to have the average likelihood to adopt and is supported by an average marketing and promotional plan.

How good are averages? You could get lucky, or you could have a wildly inaccurate forecast—it depends on whether **your** situation is average. If you want to avoid having to rely on luck, you need a forecast that measures and accounts for these key factors, not one that assumes they will be average.

This leads us, finally, to consider forecasting strategically. Why do we do forecasting in the first place? In most industries, the reason for a forecast is to help management make a “go” versus “no go” decision about whether or not to launch the new product. This may also be true in the pharmaceutical industry, when the forecast is performed prior to substantial R&D efforts.

However, a good “go-no-go” decision depends on an accurate projection of profit, as well as sales (or share).

Since profit depends on revenue and costs, it is critical that the forecasting approach take into account the major elements of cost. In the pharmaceutical industry, with some exceptions, the costs of goods and distribution are very small relative to the revenue opportunity. In contrast, the cost of marketing and promotion (and most especially detailing), can be huge. This means that marketing and promotions are the **primary** things that need to be addressed when doing new product forecasting in the pharmaceutical industry. If practitioners are using forecasting methods that do not explicitly account for the impacts of marketing and promotions, then those methods are bound to fail the industry.

Further, when forecasts are performed late in the game, the need to account for marketing and promotions is even more pronounced. Why? It is because in these late-stage forecasting assignments, “go-no-go” decisions are moot. By the time a new product has gone through R&D and is in the midst of clinical trials, the financial commitment that has been made toward the new product is so great that it will certainly be launched. Instead, the reason we do a new product forecast is to help plan a launch that will maximize the firm’s profit. Just as before, to manage and maximize profit, we need to address both revenue and the major cost elements of marketing and promotion.

What does all this mean to you? When you or your consultants or your forecasting group performs new product forecasts, do you use a “rule of thumb” to translate preference share into market share? Does that mean you are not directly accounting for marketing, promotions, and likelihood to adopt? If you answered “yes” to these questions, you can probably do a better job of new product forecasting. 📊

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Classification Corner (continued from page 1)



Please contact me if you have any questions about classification issues.
bursta1@pfizer.com

Q: How do I propose a new or revised class?

A: The simplest way is to contact me. Alternatively, you could contact the Chair of the Committee, who is listed in the Committee brochure, *Who We Are; What We Do*.

Q: What happens to the proposal after I submit it?

A: The proposal is assigned to the Committee member responsible for the affected therapeutic category. The proposal is thoroughly reviewed by that member and then by the entire Committee which consults, as needed, with appropriate involved member companies and sometimes with medical opinion leaders. The Committee reviews the proposed changes with these outside consultants and may solicit alternative suggestions. The purpose is to find out if there is general consensus that the system should be modified and what the changes should be. The responsible Committee member finalizes the proposal. The finalized proposal with background information is sent out to the full EphMRA/PBIRG membership for voting in the spring. 📊

Alice Burstein



An Interview with Colin Maitland, former chairman of ISIS

By Cliff Kalb with Evlogi Dimitrov, Friday, January 6, 2006

In this issue of Perspectives, we continue our series of conversations with leaders in our industry whose knowledge and expertise has helped to shape the environment of our profession. Cliff Kalb of Wood Mackenzie, Inc. was quite fortunate to capture the opportunity to interview Mr. Colin Maitland, former chairman of Isis, as he was to set sail for an early retirement tour to New Zealand. Colin is a PBIRG Lifetime Achievement Award winner and long time supporter of our organization.

Cliff Kalb (CK):

Colin, can you start by giving us some background on your experience in the field of pharmaceutical market research. How long have you been in this profession and how did you get involved?

Colin Maitland (CM):

I've been in Market Research since the 60's, but I really started working in ethical pharmaceuticals in about 1973. So that certainly is only 33 years ago. And before that it was all consumer. My career was a bit boring as it's all been with the same company since I started at ISIS in '73. And, you know, it's grown a bit and has become quite a big company now. I think the sales today are close to 80 million dollars.

CK: *When you first got involved in the profession, were you always interested in primary research only or did you also have interest in secondary research?*

CM: Well, at the beginning in the pharmaceutical industry, always in primary.

CK: *Always in primary?*

CM: Yes, there was only one real secondary provider, IMS, who did a grand job. That basically left primary for us to do.

CK: *Do think from the perspective of the today's pharmaceutical market that secondary research and primary research both have a place in decision support?*

CM: Both are absolutely essential. Sometimes, we used to do studies, which I think would have been helped had someone really searched their existing databases first. Then they would have gotten a lot more information from them. Similarly, I sometimes feel that we should be reviewing our existing pharmaceutical primary studies. We tend to put primary studies on the shelf unfinished, undone and not look at them again. Usually you can squeeze much more information out of the study once, as time goes by, you have different needs. So, I think there is an essential place for secondary research and primary research.

CK: *Weren't there some things, Colin that your firm did sort of a combination of the two, where you did studies that came in waves?*

CM: We called them therapy monitors. Other companies did them as well. We did a lot in cancer, a lot in HIV. They were also done in areas like MS and Parkinson's and were done twice a year as secondary data. But that is fairly recent, in the last 10 years. I think I started the HIV study in the summer of '85, when AIDS was just starting. The World AIDS Foundation asked us to help them.

CK: *Let me ask you a bit about some terminology. Sometimes in today's world there is discussion about the proper label*

for various functions. What do you see as the essential differences between the terms market research, business intelligence, and business analysis? Are these terms interchangeable in your mind, or do they have different roles?

CM: I don't think they are interchangeable. I really feel strongly that we've ended up almost with a competition between the three different types of research. What we ought to be doing is following through on what PBIRG did when it changed its name many years ago to business intelligence. I think one of our weaknesses has been that we tend to think our ourselves as market researchers or intelligence providers. We ought to be supplying the sort of information which is provided to government heads. If we are going to be truly valued, we need to think of ourselves providing information or intelligence to those people who pay our salaries and make business decisions. And I think you got quite close to that when you were at Merck, being in intelligence and being looked on as such. We tend to think quite often because we are doing market research that we really get stuck into the rut of saying we have to do a study to answer a question. Sometimes, the client can ask a question, and we could pick up a telephone and find an answer quickly. Instead we go off into a three month study, which costs a fortune. We kill ourselves as market researchers—while the answer was needed in two days!

CK: *Sometimes we overdo it. I think.*

CM: Yes, we do. Each of these three different areas demands different skill sets, but we sometimes combine them. In a professional intelligence world, people accept different types of information with different quality ratings and use it as such. You may not have to do a major study to answer the question, to solve the problem. But you don't have to do it everyday, or always, and I think that we can solve this. One of the attractions in working in Asia, which we might talk about later, is that there is a much more pragmatic attitude. These clients are looking for information and they don't care whether it comes from a market research study, from insight or from a newspaper article.

CK: *Fascinating. As you are speaking, some of the catch phrases that drug companies used to identify their missions are running through my head. Phrases, such as "science for the world well-being", "life is our life's work". There is a company based in Indianapolis, Indiana, whose phrase is, "Answers that matter". I agree with you. I think that it doesn't matter whether it is one question asked of one person, or a major quantitative study with hundreds of interviews. What matters is that the answer matters.*

CM: Yes.

CK: *Let me move to the area we touched on earlier.... the parts of the world where research is done. Maybe we can go back in time. Give me some sense of the evolution of your experience in the business from when you started doing*

just local work in the UK, then regional and then eventually global. How did that all develop?

CM: Well, in those days nearly all of us... and there were not very many of us... started locally and then began to do research on a broader scale when reasons gave rise to that. One reason was, we needed a bigger market for our own market research and in the UK or in an individual country it was often too small, with the exception of the US, of course. So we all became Europeans quite quickly and started working outside these centers. IMS started this and went global very quickly. There were some very bright people there in the early days of IMS. One who really made the big step was a man called Rudi Goldberg. He really jumped into primary research across the world. There was a firm called IML. Then quite a lot of us began to either copy Rudi or certainly found out about it and began to do it. But most of us were driven there primarily by the small size of our domestic markets.

CK: *Let's just talk about Europe. I noticed when I did work in Europe, there were patterns that are unique to a country that repeated themselves over and over again regardless of the therapeutic field. For example, it might be the case that in Italian doctors had a tendency to be the first ones to try something. This was opposite from the UK where the doctors are more conservative in general, and they wait quite some time for more data to make decisions. Did you notice a pattern like that?*

CM: Very much so. It is classic, all over again. In Italy, because patients can move from doctor to doctor very easily, it's up to the doctor to make the patient aware that he's given the best of the most recent drugs. Whereas in a country like the UK, where people find it difficult to move from one doctor to another, patients were prescribed the old drugs.

CK: *You probably are most known in the industry for your early recognition of the importance of the Asian market. You opened offices in a number of Asian markets long before many of your competitors. What let you to recognize Asia as an important market and why did you move in that direction?*

CM: Well, I expected something to happen which still hasn't happened in the US market. I thought that the pricing system in the US was so wide open 10 or 15 years ago that sooner or later there would be some form of limitation on drug pricing. When that happened, I thought the US domestic market would decline. However, in reality pricing remained free and the market is still growing! If you look back at the profit which is gained from the US domestic market by nearly all of the major pharmaceutical companies in the world, you find that the proportion of profit which they get out of the US has been growing exponentially.

CK: *Right.*

CM: And that scared the pants off me.

CK: *So your real rationale was that you wanted to be in Asia before the US market collapsed.*

CM: Oh, yes, I imagined that was going to happen, way back 15 years ago. But it didn't happen. So I thought of it basically as a theme where we will have some problems in the US and looked where to invest money. There are really two areas which seemed critical areas of potential, one of them were Eastern Europe and Russia, and one of them was Asia. For years we also talked about Latin America but it never seemed to happen. Since Asia really did look as if it had the best potential, so I went there.

CK: *Now, let's imagine that you were not currently retiring and you were continuing to invest in growing your market research businesses globally over the next 5-10 years. Where do you think the greatest return will come from for a market research firm geographically?*

CM: It would have to be China. Basically the Chinese love themselves and they love their bodies. They love eating well and they tend to look

after themselves. China is the only place in the world, except perhaps for Florida, where you see so many old people exercising at 8 AM each morning. They do take care of themselves. Even more important a large portion of China's population has a growing income. Where you have growing disposable income you end up with better and better health. Look back at the history of the US, or Germany as examples. That exactly is going to happen in China. The difference is the numbers are so fantastically great. If we take China at 1.3 billion people, there are about 300 million that probably have the income with is quite soon to be competitive with that of 300 million Europeans or Americans. Consequently, they are going to start to spend more money on their bodies.

CK: *Do you think your prediction that the US market will be less important as a result of some form of price control is likely to come true in the next five years?*

CM: It will come true before the midterm elections.

CK: *You mean the current midterm elections in 2006?*

CM: It could be this current midterm election, except I thought that Mr. Bush has so many other big problems on his hands, so it may not. But to me, I'd always predicted that it would happen at the midterm election. The simple fact is they shouldn't wait for Hilary Clinton to get in and ought to take action before, to demonstrate that they can look after healthcare cost.

CK: *Now, let's turn to the area of training. There was a time when you and I had a discussion about the design of the ultimate market research training program. You had a vision of such a program that would become your legacy when you retired from the profession. Unfortunately, the program didn't come together. If the program had happened, what do you think the critical elements would be?*

CM: First of all—it was not really designed for Americans, or Europeans. It was neither designed for the professional market researcher who would be in market research for 5, 10 or 20 years. It was designed for the people who come in to do market research from being sales reps in the field. They come in to do market research and to join the marketing department, where they might spend a year, and some of them stay on 2 or 3 years. There is continuous supply of them particularly by way of country offices. The market research manager, who's got multiple years of experience, is frustrated, because these field reps come in, and before he can say Jackrabbit, they're off as assistant product managers. At least that is what they want to be. Some even will rise to market researchers and stay. Now it's for these people that we need good training, because they are the ones who are going to end up to being posted as country market research managers and eventually they are going to be brought in into Headquarters to run an international market research department.

I think, as an industry we fail to provide the basic education these people need. So the purpose of core MR research training would be to provide all its offices around the world with access to an online training scheme. And it should be really simple. It wouldn't begin with how to do a good group discussion. It would begin with what a group discussion does, how it happens. It would be designed to describe the tools available to sort through various problems. Basically, it would be something which the country market research manager could use to train sales reps who would like to come to his department. It would teach how to read the IMS tables, and in general how to look at data. Not to become experienced market researchers, but to really provide the basics of education. Research agencies have the same sort of problem.

CK: *You talked about the traditional career paths for folks in this field... starting in sales, moving into market research and then hopefully into a management role. Do you feel that product or marketing managers should have mandatory experience in market research before they move into that profession?*

- CM: I think mandatory sounds rather to guillotine-like, sort of like dictatorship. Although, I think it would be a very good idea. I set out to be a marketing man and I knew I had to do market research, advertising and selling. So, I submerged myself in market research and then quite early on also became the market research manager in an advertising agency. That gave me advertising experience, but I think it's a good idea for people to know about market research, because you got to learn what it can do.
- CK: *Let's turn to how things may have changed over your time in this profession. You mentioned that your entry point into pharmaceutical research was in the early 70's—so over let say the past 30 some odd years—has the profession really changed that much or would you say that things are basically the same?*
- CM: A lot is the same but the biggest change is the fantastic growth. PBIRG had a predecessor organization, IPMRG. The first meeting I went to was to be in 1979 and we were about 24 people. Everyone knew everyone. Now, instead of 24 people, you have 340 people. That change in size—and this has happened across geographies—just makes a lot of difference, a fantastic amount of difference. It is much more difficult for new people to meet other people now, and that has become a problem.
- CK: *In what sense—what kind of problem?*
- CM: The number of jobs has just grown and with this rapid growth people are pulled-in who do not have the experience needed. This happens on the agency side, but the biggest effect is on the client side. The agency may end up dealing with clients who don't actually know a lot about what they are doing and this does cause problems. This didn't seem to happen before. There was a group of people in the 70's who had been involved in market knowledge, quite often out of IMS for a long, long time. These people around the IPMRG table had learned a great deal over many years. And now we have a scene where people jump in very quickly and they are suddenly running major studies. This indeed causes problems because they don't know what they don't know.
- CK: *A recurring issue is the recognition of the profession. There is discussion at PBIRG meetings about ways professionals could become recognized at a higher level for the contribution they make to decision makers in an organization. What could be done to raise the professional standing and standards of market researchers? Some form of certification or licensure as with physicians or attorneys?*
- CM: You are quite right, that has been discussed for 40 years. We all complain that is an under-appreciated profession. But part of it is because we sit back and wait for people to come to us and to ask us questions. We should almost have a scenario whereby the head researcher in a pharma company goes to see the CEO for fi hour on each Monday morning saying “this is the world today, Sir”. I have a friend that does this for Tony Blair, and they brief him every week.
- CK: *In the US government the president get his intelligence briefing every day as well.*
- CM: I think this approach would achieve the appreciation much faster and better.
- CK: *When studies are completed and recommendations are made, often the market researcher or the agency involved never actually learns weather or not the recommendations where implemented. And if they were implemented, did they actually make a positive impact on the growth of the business. Is that in your experience? Or can you recall an example where work that your company did clearly demonstrated as improving a business decision that improved revenues or profitability?*
- CM: I have certainly seen a case where that was proven. It is much easier to see in a local country or even sometimes in a regional setting. Typically, it is very difficult when you are working on a new product launched 3 years before, but actually you can see an effect. Not so much so for an in-line product that's already being sold in that country. I can think of many cases where good market research can be seen to actually improve the bottom line within 6 or 12 months.
- CK: *Over the years, you had a very active role in the IPMRG and later the PBIRG organization. You have been recognized on several occasions, including being a winner of the lifetime achievement award. What is the value you see provided by an organization like PBIRG?*
- CM: Tremendous! I think PBIRG has played a tremendous role and it's a much better organization than it was some years ago when I started. It has improved to no end, and you can almost say it happened in 2 or 3 different leaps. It now helps enormously with education. Admittedly, this is primarily for the headquarters people, but I think it has been dramatically positive.
- CK: *Interesting. When I ask the Executive Committee members what is the most important value that they see as provided by the organization, usual the number one thing that comes up is networking.*
- CM: Oh, yes, that is important as well. But the fact that the people can learn a lot quite quickly now through PBIRG and EphMRA is wonderful. I wish they were one organization.
- CK: *That has been tried as you know.*
- CM: I know we talked about it. I wish we really had made some progress, but not so to date. But I think the educational role is really important. One has to reflect back: and see what we would be like without PBIRG.
- CK: *I really enjoy listening to your stories. I'm interested in hearing two of your favorites. The first would be one where you worked on a project that you considered a benchmark of success, and the second, where everything that could possibly go wrong actually did?*
- CM: There is a wonderful case where both happened. It involved the tracking of company performance in each of its product areas. Initially we were asked to do 39 smaller countries; I'm not excluding the big 7. So initially, we were asked to get together a group meeting which I would have loved to have done, but that didn't happen.
- The study started from one of our client subsidiaries in the Philippines where they did a study for their local plant. The regional manager seized upon this and thought it was a very good piece of research. I did not even hear about it until after this has happened. It was then kicked up and repeated across Asia. And we were than asked to pick it up and repeat it across those 39 countries. In the end it came down to about 27 countries. It included markets like Poland, Turkey, and South Africa. It changed from being a qualitative study to being a quantitative study. The drivers of the company were line management in the countries and in the region. It worked enormously successfully. We were really able to give practical immediate help to clients. Within two days we delivered results and interpreted what they meant and what they could do the next day. I have never known any study that resulted in such improved sales.
- Smooth sailing—but not in every country, because in some countries our research had to be withdrawn because something went wrong. At one instance, someone had forgotten to ring the country and tell them that we were doing this study. So, all the awful things that could possibly happen did happen. In other countries we really fell down as a market research agency. We had subcontracted research locally and so on—I could go on about all the disasters—but it's always interesting that the same study produced the most helpful results in fi of the countries and was a disaster in just a few countries.

CK: Do you think it was a function of the study design, in other words that you needed to have a different type survey instrument in the different countries and just replicated the same one and it did not apply to the local culture?

CM: No,—not so much that. I think what happened was two-fold. First at the start we basically dealt directly with line management, because in these countries there were no market research functions. So it was line management who knew what they wanted and didn't want to create a formal market research function. That proved enormously successful and very satisfying. For example, the General Manager would say something like "should I shift 2 salesmen from this field force over to that field force". And we were able to say "yes". Then, six months later, we would hear that sales had gone up. Yes, it worked—that sort of practical help, immediately.

The thing that really worked was that we were providing intelligence directly to the business decision maker, the profit responsible person who was acting upon it. Where it went wrong was quite often when the researchers at the Headquarters got involved. They would say it wasn't brilliant market research in that it was not a classic research study and so the market researcher said "well I don't know about this".

The line management knew just what they needed... just a one sheet result for each product group for each country. One sheet of paper which summarized everything, from which you could deduce the fantastic... it was one of the first matrixes.

CK: I suppose the lesson is that it might not be the methodology but rather just getting the right answers. Would you agree that one of the potential weaknesses of professional market researchers is that they are viewed as technicians, rather than being viewed as true decision support partners?

CM: Yes I agree wholeheartedly with that, absolutely.

CK: As I mentioned before, you have won many awards in your career—both from PBIRG and EphMRA and I imagine many other organizations. Our members would like to learn what advice you would provide to those just entering the profession. What would you say to someone who's entering this field that might help them with career development and in their plans for professional growth?

CM: I'd say our business is not techniques, it is not financial skills. Our business really is people, people, people. All the way through its people. And basically, wherever you are, train them, help them, support them and give them lots of responsibility. What I love to say to people starting out is that people forget that 99.9% of people want to help, they are happy to help. People love being asked to help and advice. So your people should ask for help and advice because people love it and they learn a lot. And that will help them in their career development. And, you know I'm sure we have all met the fellow that walks into an office for his first job, and knows all the answers and won't look for help. He'll either leave the company or become president.

CK: One final question—what do you think it takes to become a leader in this profession, where other people admire you, look up to you... what are the key characteristics of leadership in the field of market research?

CM: Honesty—just being open and honest. When necessary, being prepared to go the opposite direction of which everyone is going. I know many people thought I was mad when I went off into Asia. On occasion, if necessary, you have to be prepared to say: if the herd is running that way, but my heart and my head tell me to go the opposite direction then I opt for that other direction. Be prepared to recommend a decision which seems unusual at the time.

CK: Thank you, Colin. Enjoy your holiday and don't be a stranger at PBIRG. 📷

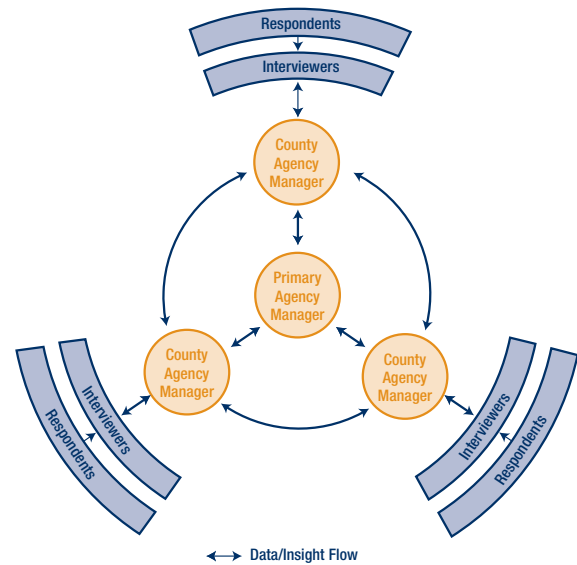
Primary Research

Reducing "Distance" To Better Build Insight In Global Studies (continued from page 6)

- **Minimize data loss** by leveraging emerging technologies to:
(a) improve command and control systems so all team members deeply understand and can execute on study objectives; (b) improve the process of training the interviewers conducting and overseeing the interviews, recording and compiling responses, and storing and manipulating data

A more effective way of satisfying these principals than the linear, hierarchical structure described above, would be a pan-country matrix organizational model.

Figure 2. Matrix structure fosters communication with and across levels



This model relies on two things—leveraging technology to yield shared processes that can facilitate intra-team researcher communication, and functional strategic partnerships between the primary research agency and local research agencies. Together these partnerships and the ability to leverage technology result in a more efficient, accurate communication of study objectives from primary researcher to interviewer.

Of equal importance, it fosters and facilitates an intimate knowledge exchange between local researchers and primary researchers. This approach is consistent with "emic" perspectives on cross-cultural methodologies that prioritize the recognition indigenous perspectives, rather than the historical "etic" perspectives that sought for cultural universalities across nations and groups (driven by Western or US cultural imperatives). By attempting to build emic bridges, what is ultimately communicated to the client contains both a highly accurate description of the data along with country-specific insights that are formulated by a team that is able to combine a thorough understanding of both overriding business / marketing objectives and the local factors that impact the interpretation of what respondents actually say. 📷

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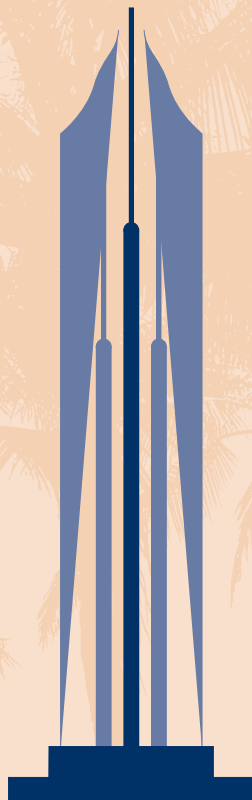
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Jonathan C. Peck (see page 3 for more details)

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PBIRG UNIVERSITY SERIES
Lecture Learning Modules

DAY TWO Tuesday, May 23

2006 PBIRG AFFILIATE PROGRAM

PBIRG Research Excellence Series

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AGENCY FAIR

AGENCY DINNER EVENT

DAY THREE Wednesday, May 24

How Does One Adapt?

Michael J. Gelb (see page 3 for more details)

It is not too late to register online...www.pbirg.com