

LIFE-CYCLE MANAGEMENT

THE ULTIMATE

CLIENT-AGENCY RELATIONSHIP

WITH \$80 BILLION OF PRODUCTS FACING PATENT EXPIRATION BY 2008, FEWER DRUGS IN THE PIPELINE, GREATER GENERIC COMPETITION, AND DECREASING REVENUE AND GROWTH RATES, THE PHARMACEUTICAL INDUSTRY IS FACING SOME OF ITS BIGGEST CHALLENGES YET.

Proactive life-cycle management is one way to fully harness the potential of pharmaceutical products. Life-cycle management is best achieved through a team approach that includes all stakeholders involved in a drug's success. Integral to the team is working in partnerships. Real partnerships generate the best work. Continuity between the same teams working on both sides of the brand — clients and agencies — yields the best results over time. Frequent switching of agencies or brand personnel

results in starts and stops and stems the accumulation of key learnings, which are necessary for developing a life-cycle management strategy for a brand.

According to industry experts, if continuity is in place and adequate and fair compensation systems exist,

then it is possible to create a partnership that can be valued by both sides as equitable, meaningful, and essential.



CANCERVAX

Dr. Carol Gallagher. The ideal scenario is having a charter **THAT CLEARLY STATES AND DEFINES THE EXPECTATIONS OF BOTH GROUPS.**

THE RELATIONSHIP BUILDERS

BRADFORD BRYEN. President, U.S. Concepts, New York; U.S. Concepts is an event/promotion agency and a subsidiary of CoActive Marketing Group Inc. For more information, visit usconcepts.com.

JUDY CAPANO. Partner and Chief Strategic Officer, Wishbone Inc., New York; Wishbone is a full-service healthcare advertising agency. For more information, visit wishbone-itp.com.

JIM CLIFFORD. Group Company Chairman, CommonHealth, Parsippany, N.J.; CommonHealth is a leading healthcare communications network, with 16 operating units and an expertise in health-related brands in almost every therapeutic category. For more information, visit commonhealth.com.

ELAINE S. EISEN. Executive VP, Corbett Accel Healthcare Group, Director of Client Services, Corbett Accel Worldwide Healthcare Communications, Chicago; Corbett Accel is one of the largest healthcare communications companies in world and is a member of the Omnicom Group Inc. For more information, visit corbettaccel.com.

CAROL GALLAGHER, PHARM.D. Executive Director, Sales and Marketing, CancerVax Corp., Carlsbad, Calif.; CancerVax is a biotechnology company focused on the research, development, and commercialization of biological products for the treatment and control of cancer. For more information, visit cancervax.com.

ROD HANLON. Chairman, Wanamaker Associates, Atlanta; Wanamaker Associates is a leading international consulting firm specializing in agency searches and the evaluation, measurement, tracking, and enhancement of the client/agency relationship. For more information, visit wanamaker.net.

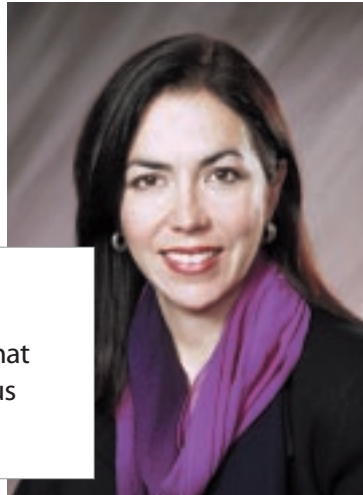
CHRIS HENSHALL. Senior International Product Manager, Daxas Roflumilast, ALTANA Pharma USA, Florham Park, N.J.; ALTANA Pharma, a unit of German pharmaceuticals and chemicals group ALTANA AG,

LONG-TERM PARTNERSHIPS BENEFIT LONG-TERM STRATEGIES

PERLOTTO. Product life-cycle management requires thinking about the brand beyond what has to be done for the next POA, this year, or the tactical elements that need to be executed over the next two or three months. The focus has to be on working with the client and always looking down the line strategically in terms of what needs to be done. We need to determine what drivers, such as reimburse-

NOVARTIS

Dagmar Rosa-Bjorkeson.
**SOMETIMES IT TAKES A NEW
PERSPECTIVE,** and we must make sure that our teams maintain the ability to shift focus from the obstacles to develop solutions.



ALTANA PHARMA USA

Chris Henshall.
**THE OPPORTUNITIES OF THE FUTURE
DON'T LIE IN INNOVATION,** but rather in many nimble-footed opportunities that will drive growth.



researches, develops, produces, and markets innovative drugs. For more information, visit altanapharma.com.

LOUISA HOLLAND. Co-President, Sudler & Hennessey, New York; The S&H Group is a global healthcare marketing and communications organization with offices around the world and is a WPP group company. For more information, visit sudler.com.

LARRY IAQUINTO. President, Interlink Healthcare Communications, Lawrenceville, N.J.; Interlink is a full-service healthcare advertising and medical-education company. For more information, visit interlinkhc.com.

RICH LEVY. President, HealthStar Advertising Inc., Woodbridge, N.J.; HealthStar is the advertising and sales promotion division of HealthStar Communications Inc., a healthcare marketing network. For more information, visit healthstarcom.com.

PATRICIA MALONE. Principal/Creative Director, Stratagem Healthcare Communications, San Francisco; Stratagem is an independent, full-service advertising agency serving clients in the pharmaceutical, diagnostic, device, and consumer healthcare industries. For more information, visit stratagem-hc.com.

MIKE MYERS. Executive VP, Managing Director, Client Service, Palio Communications, Saratoga Springs, N.Y.; Palio is a full-spectrum, strategically driven advertising and communications company. For more information, visit paliocommunications.com.

MARK S. PERLOTTO. Executive VP, General Manager, Adair-Greene Healthcare Communications, Atlanta; Adair-Greene is a full-service marketing and communications agency with a focus on emerging companies, products, and technologies. For more information, visit aghealthcare.com.

AHNAL PUROHIT. President and CEO, Donahoe Purohit Miller, Chicago; Donahoe Purohit Miller is a healthcare advertising agency that provides professional and consumer patient services. For more information, visit dpmadvert.com.

JOHN RACIK. President and CEO, Stonefly Communications Group, a subsidiary of inChord Communications Inc., Westerville, Ohio; Stonefly is a full-service advertising agency that continually innovates to redefine success for its clients. For more information, visit stoneflygroup.com.

DAGMAR ROSA-BJORKESON. Regional Director, NII/NIII Boston Sales Force, Novartis Pharmaceuticals, East Hanover, N.J.; Novartis is a world leader in pharmaceuticals and consumer health. For more information, visit pharma.us.novartis.com.

ALLEN STEGALL. President, Dudnyk Healthcare Group, Horsham, Pa.; Dudnyk is an independently owned, full-service advertising agency and marketing group servicing the healthcare industry. For more information, visit dudnykhealth.com.

ALAN TOPIN. President, Topin & Associates Inc., Chicago; Topin & Associates is a full-service medical and healthcare advertising and communications agency. For more information, visit topin.com.

STEVEN WICE. President, Lyons Lavey Nickel Swift, New York; Lyons Lavey Nickel Swift is a full-service healthcare advertising agency. For more information, visit llns.com.

STEPHEN WRAY. President/CEO, Healthworld-Americas, Healthworld Communications Group, New York; Healthworld is a leading global provider of strategic marketing and communication services to healthcare marketers. For more information, visit healthworld.com.



ADAIR-GREENE HEALTHCARE COMMUNICATIONS

Mark Perlotto.

FINDING AND AFFORDING THE TIME TO BE ABLE TO GET STARTED ON THE RIGHT FOOT IS A CRITICAL ELEMENT. Years ago, there was more longer-term planning and there was a regulated schedule. That process is getting short circuited more and more as short-term demands bubble to the surface.



STRATAGEM HEALTHCARE COMMUNICATIONS

Patricia Malone.

IT IS REALLY BENEFICIAL IF THE CLIENT UNDERSTANDS THE VALUE OF BRANDING, as well as the process of branding and that it takes time and consistency to build a brand.

ment issues or competitors in development, are going to impact the business not just short term but long term. That can vary wildly product to product. The agency and the client together need to determine what are the future potential obstacles. We need to figure out what the issues are now before they become a threat; how we would manage issues before these opportunities fully come to fruition; and how the brand team can take advantage of them. There is a tendency as people have become busier on the client and agency side to do more and more with less, and to focus on the here and now rather than what's the best thing that needs to be done in the interest of the brand over the long term. This is not a new philosophy, but it's becoming more acute as agencies and clients are tightening timelines and areas of responsibilities as more is being demanded and expected on both sides of the fence. If agencies are plugged in on what's going on longer term, then we can have people looking at the long-term strategic issues that will impact the brand. We can come to the table and anticipate where those changes are going to happen while other folks are doing the here-and-now tactical elements and determining what needs to be done in the short term.

CAPANO. Clients are looking to develop long-term brand strategies and they are looking for long-term agency partners. They recognize the value of having continuity on the agency side because they know how often brand managers rotate to other positions in the organization.

IAQUINTO. Contrary to common practice, planning for life-cycle management should be a priority at the beginning of a brand's life,

not when a brand is close to patent expiration. The greatest opportunity to ensure a brand's success is in the prelaunch phase, before the brand actually takes shape. Life-cycle management decisions made at the earliest stage of the brand's life can have the greatest impact on its long-term success. For example, the decision to get a product approved quickly with a limited

indication may lead to early financial return, but can also limit market use. But careful life-cycle management planning can allow the brand to quickly expand its indications, add new formulations, and even enter new therapeutic areas. Life-cycle management responsibilities should never be isolated in a single area of the company. Early on, a key strategy is to assign a multidisciplinary team to understand the true value of the product. Marketing, clinical, regulatory, scientific affairs, pricing/economic, and even customer representation on this team will ensure that the brand is developed with the greatest market potential and product growth in mind. As early as Phase I/II, this team should rely on their advertising agencies to bring life-cycle management opportunities to light. Agencies with expertise in medical writing and direction can assist with publication planning, key opinion leader development, and other initiatives that can help to alter market perception, guide activities, and ultimately influence prescribing behavior. Life-cycle management efforts should leverage every possible communications vehicle to maximize the value of the pivotal trials. This takes vision; these activities are irrelevant without a long-term vision for the brand and a carefully mapped strategy. Identifying where everyone wants to be will help the team to cut a clear strategic path that will enable the brand to overcome challenges and achieve its goals. As a brand approaches launch, the strategy is applied to developing the brand and the communication tools. At this point, brand and message consistency is vital to creating a solid foundation upon which the brand will be built. Consistency is also important from a customer-relationship standpoint. Turnover of personnel may lead to variation from the life-cycle management plan, making it difficult for the brand to stick to the script. Clearly, competitive strategies are important throughout the brand life cycle, particularly if the brand is entering a crowded market. Here, strategies focused on brand differentiation can mean the difference between nominal and exceptional brand adoption at launch. As the brand matures, the fruits of life-cycle management should already be ripe. Effective life-cycle management depends on establishing a vision and maintaining a commitment to that vision through companywide collaboration. Only then will a brand enjoy a long, lucrative, and successful life.

MYERS. People have to be able to look beyond the next month, the next quarter, or the next six months and recognize that at times they need to invest in the brand, not just put money with an agency. And this mindset is one that not a lot of people are comfortable with. Advertising budgets and promotional budgets are obviously

STONEFLY COMMUNICATIONS

John Racik.

THE AGENCY HAS TO BE THE BRAND STEWARD. When new product managers come on board, the smart agency will sit down with them as soon as possible and take them through the strategic plan.



under a great deal of scrutiny for a lot of reasons and they are relatively tight, more than they used to be. People tend not to want to do things that aren't going to have an immediate impact on their brand so they allocate their funds with that perspective.

BRYEN. Communication between client and agency — from initial planning through execution — keeps both sides on track with the same brand idea, and the same brand vision.

CLIFFORD. Knowledge management is at the very core of life-cycle management. Managing a brand is all about in-depth market research and a deep understanding of marketplace dynamics. In parallel, one must be steeped in competitive messaging analysis and how all these dynamics work together. And, just to complicate everything, the agency and client brand team need to have a full and deep understanding of clinical-trial data.

PUROHIT. Guidelines, procedures, and standards need to be developed to really specify clear goals for the brand from prelaunch to launch, throughout the entire life cycle. But I don't think many pharma companies have the systems and structures in place to establish this type of life-cycle management.

HENSHALL. In theory, one of the best practices for developing an advertising strategy for life-cycle brand management is culling knowledge from research, i.e. the evidence-based marketing technique. This is traditionally a U.S.-driven approach and has been very successful. It may be time consuming and costly and will usually be a low-risk option, but if one wants to have a sure thing this is the way to go. In practicality, this approach places huge pressures and costs on market research. In many cases, the results are rushed, less important steps are left out or even shortened, and the commercial impact based on the data is not well-thought through. So, what's the point? In the end, we go back to the know-how based on the combined experi-

**PALIO COMMUNICATIONS**

Mike Myers.

THE MOST IMPORTANT FACTOR IS TRUST, and by that I mean trust in each other with mutual respect for ideas and within a system of mutually beneficial support.

**DONAHOE PUROHIT MILLER**

Ahnal Purohit.

THERE HAVE TO BE COMMON GOALS TO EVALUATE THE BRAND. If the brand doesn't do well then the client doesn't do well and then the agency doesn't do well.

ences of the team assembled. My long-term prediction is that as bigger companies are put under more pressure to grow amid less innovation in the industry they will revert to hiding behind the research.

Companies will hinge key strategic thinking on a core team that will deliver at lower costs and, in the end, take more aggressive swings at the ball with surprising impact. But even if these teams fail on occasion, will it really affect a company as big as GlaxoSmithKline or Pfizer? Not really. So, companies need to start to be more aggressive and make a difference. The opportunities of the future don't lie in innovation, but rather with many nimble-footed opportunities that will drive growth.

WICE. The key for developing a strategy for life-cycle management is to start early, in early clinical, Phase II, or Phase III development. A lot of clients are bringing agencies on board much earlier in the process so that we can work with them to help develop protocols to support the claim. Then, when a product is launched, it has the right claims that are going to maximize the marketing impact. This also helps us look at the brand from a long-term standpoint that covers prelaunch, launch, and postlaunch activities.

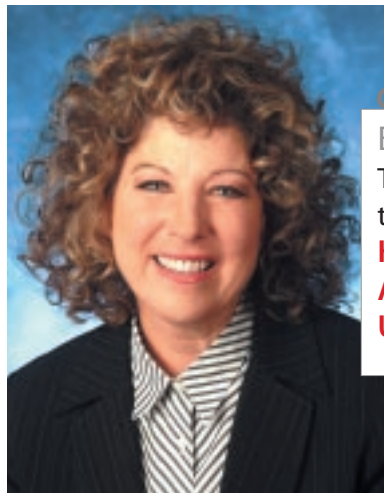
EISEN. The days of doing just enough clinical studies to get a NDA approved and a product on the market are over. Stricter guidelines preclude any promotion of trials if the information is not part of the label, even if the studies are not contradictory to the label. This means agencies have to become much more strategic partners earlier in the clinical-development process. Another best practice is to



HEALTHWORLD

Stephen Wray.
CHEMISTRY AND RELATIONSHIPS ARE NOT AUTOMATIC; THEY TAKE TIME TO BUILD.

Agencies can help that process along by rolling up their sleeves and showing clients that they have just as much interest in the brand as clients do.



CORBETT ACCEL HEALTHCARE GROUP

Elaine Eisen.

The agency-client relationships that work the best are the **ONES WHERE THE HEAD MARKETING PERSON ACTS AS THE BRAND STEWARD AND UNDERSTANDS THAT PHILOSOPHY.**

have a global view from day one to understand the needs of all the markets, not just the United States. Also, it's important to define very early on the various roles the patient, the consumer, and the caregiver play and start developing messaging and programs for each of those stakeholders. Agencies that are viewed as strategic partners can assist clients with all of these life-cycle management tactics.

WRAY. The fundamental elements of driving good life-cycle management include solid core branding, an identified brand identity, and a clear strategic brand vision. To achieve these goals, there needs to be a solid working relationship with the

client's extended internal team, including clinical research and marketing research. Enabling the agency to better understand the evolving brand from a clinical standpoint or gain further insight into emerging category trends will allow the agency to fully support the strategic plan for life-cycle management over time.

ROSA-BJORKESON. It is critical to have a life-cycle strategy for the brand and/or its franchise. In the endeavor to understand the life cycle of the brand, the importance of imparting the knowledge of the U.S. market into that strategy early cannot be overemphasized. Once there is a good understanding of the strategy, only then can a successful advertising strategy be devised. In this way, there will be advertising continuity throughout the life of the drug and we can truly build a brand.

STEGALL. I view life-cycle management as having three phases. Often agencies are assigned brands that don't yet have approval. Sometimes these are novel therapies, involve new science, or have new implications for clinical practice. For a product at this stage, the

most important strategy is market preparation. This allows the brand team to change the way future customers think about a disease and about their ability to treat the disease. Basic medical-education programs can create a dialogue on the new technology or science. In this way, the market is well-prepared so that on the day the brand receives approval there is a ready market. The next phase, obviously, involves the commercial aspects of the product, launching and growing the brand. This is the phase that most people think of first when they consider client-agency relationships: what is the launch program, how is the drug to be positioned, what are the advertising concepts, how much selling effort is going to be put behind the product, and so on. The third phase is when the product reaches maturity or is in decline. Strategies for sustaining the product become very important to the client. These may not be as glamorous as launch activities, but they are very important and represent a significant component of the client's organization. If anything, I think this is the area where we, as an industry, may not be investing enough of our smart people and good ideas. It is a very important financial consideration for clients to sustain those brands for as long as possible and make sure they continue to perform well. I think we could do a better job, spend a little more money, and do a lot more thinking around the idea of sustaining and perpetuating older brands and extending their performance cycle.

RACIK. Agencies and clients need to move beyond discussions of hourly rates and talk instead about longer-term contracting. The life cycle of the brand needs to be considered, as well as the ways that an agency can address the brand's needs as they ebb and flow through the prelaunch, launch, and postlaunch phases. The client and agency have to be willing to take a longer view. The agency may charge \$250 an hour for the first year, and \$130 an hour in year five, but in the aggregate, the client is getting the net hourly rate that it wants.

GALLAGHER. The product team has to have a clear vision of where the brand is going over the next five to 10 years. They want to develop branding that extends throughout the brand's life, so the team really has to do the work up front to consider the product's life cycle. Once the product team has identified a basic strategy, involving clinical and regulatory, about where the brand is going scientifically in terms of possible new indications or enhancements, then they can develop the foundation for their branding. There needs to be a great deal of market research to validate and support that vision. Then the creative team is brought in after the foundation has been built. A couple of things can go wrong with this approach. Without considering the long-term process, there isn't a full vision as to where the brand is going. Too often the agency is brought in at the end and told



DUDNYK HEALTHCARE GROUP

Allen Stegall.

The relationship is important, communication is important, **BUT ULTIMATELY THOSE ITEMS BECOME PERIPHERAL AROUND THE BASIC DELIVERY OF GOOD IDEA VALUE.**



SUDLER & HENNESSEY

Louisa Holland.

The most essential element in building a great agency-client relationship **IS TO DEFINE THE RELATIONSHIP AS A TRUE INTELLECTUAL AND STRATEGIC PARTNERSHIP**, one in which the agency contributes real value to support the brand's success.

that the life-cycle plan has been signed off by the brand-management team, and now do the creative. It is much better if the agency is part of the life-cycle planning process from the beginning. For example, the agency might want something different from the market research, and then the team has to go back and do more research to try to get to a better creative endpoint for a product. The key is to involve the agency in the team process of thinking about the life cycle of the drug and then do market research and creative planning and translate that information into position-

tioning that reflects what's happening in the marketplace today and what may happen in the future.

LEVY. Ideally, agencies should be brought in 18 months to 24 months prelaunch, right after the NDA has been submitted. During that time frame, agencies can begin to develop medical-education programs, do publication planning, and establish advisory panels. This is when the team should start combing through the data to position the product. As the product gets closer to launch, a premarket plan is developed to prepare the community through symposia, and so on. Also at this time it should be determined whether the product lends itself to "coming soon" campaigns; some do, some don't. The role of PR and professional relations also comes into play during this period. Copy concepts, which include the branding element, are developed and tested. An entire strategic/tactical plan is developed, so upon approval everything is ready to roll out. During the next several years, the plan needs to be evaluated, and adjustments may have to be made in consideration of labeling changes or new products on the horizon. By continually analyzing the market, the team can have a plan in place. The idea is to be on offense not defense.

HOLLAND. Life-cycle brand management requires much more than an advertising strategy. And I believe agencies are required to deliver much more than advertising. As brand stewards we should be thinking about all communication and marketing challenges from a 360-degree perspective, even when the strategy calls for a solution that might come from outside our own company. I also think that it is critical to engage in life-cycle management from the very beginning. In other words, don't wait until 18 months before

patent expiration. Life-cycle management is much more than patent extension or blunting competition. Ideally, life-cycle management also involves the development of new markets, identification of new audiences, building new messages, establishing new indications, and maximizing growth throughout the brand's entire life cycle. To maximize life-cycle management, a cross-functional team — medical, marketing, regulatory, agency brand team, strategic planning team, medical-education team, reimbursement, and market analytics — should meet routinely. This is the essence of the brand-stewardship model, and it should begin prelaunch and continue throughout the product's life cycle. Include case study analysis — both within and outside the category — data analysis, and pipeline review. The goal is to uncover a nugget or two that hasn't been leveraged, which may recognize a marketplace reality that exists today that didn't in the past. And we need to be ready to move quickly with new messages as soon as opportunities occur. It's important to keep strategies fluid as market dynamics shift.

DEVELOPING BRAND STEWARDS ON BOTH SIDES OF THE TABLE FOR LONG-TERM SUCCESS

CAPANO. The way in which agencies can emphasize the importance of having a brand steward is to make sure that the discussion of strategy is always part of the development of day-to-day tactical executions. The better an agency does at bringing the strategy into every element executed throughout the course of the year, the more elevated the value that agency brings to the table becomes.

HOLLAND. It's very important to have brand stewards on both sides of the table. Without a champion for the brand, the vision can get lost or become the victim of politics, preferences, or market research. A brand steward is charged with analyzing and integrating ideas and strategies across multiple business functions, thereby bringing a broad perspective to the marketing plan. It's certainly critical for the client to have this broad, long-term vision for the brand. And it's a real bonus when the agency can partner with the client in this endeavor. We believe the agency should be capable, willing, and enabled to offer this type of integrated marketing approach to clients, in essence providing unbiased counsel on all issues related to the brand.

MALONE. Having a brand steward on both sides is ideal, but not always possible. But, if there is trust between client and agency, then having the agency as the brand steward can also work. It is beneficial if the client understands the value of branding as well as the process of branding. It takes time and consistency to build a brand. It's extremely important to have that understood by both sides.

TOPIN & ASSOCIATES

Alan Topin.

THERE NEEDS TO BE CLEARER FEEDBACK AND ABSOLUTE CLARITY OF EXPECTATIONS BEYOND SIMPLE DELIVERABLES. This makes for an environment where both sides are willing to challenge each other without the agency feeling that its future is in jeopardy.



CAPANO. In the better client-agency relationships, the agency has to take a proactive role at being the brand steward. It is only by assuming that role that the agency will be able to make contributions that the clients will be able to value longer term. A brand steward is not usually a specifically assigned function. It is a function that happens as an agency takes a proactive and assertive position to own the brand's long-term development.

ally assigned function. It is a function that happens as an agency takes a proactive and assertive position to own the brand's long-term development.

PUROHIT. The role of the brand steward on the client side and the agency side may be different. On the client side, the brand steward should have a broader vision for the brand and make business decisions on this broader view. This person might manage the overall budgets for the brand and he or she protects and projects the brand internally and externally. On the agency side, the brand steward manages timelines for projects as well as the creative team. Both sides are responsible for maintaining the consistency of the brand. Both the client and the agency brand steward should be very passionate about the brand and both should serve as the brand's primary advocate and nurturer.

HENSHALL. Having brand stewards is obviously important. But I would submit that this is an old guard idea where one or a few experts have all the detailed knowledge. This is one reason why agencies are losing business. Today all members of the team, as well as the upper and senior managers, need to have a good strategic understanding of the business.

STEGALL. Brand stewardship is vital. People need to be invested in the success and the performance of the brand. This is an essential ingredient because it manifests itself in the delivery of ideas and marketing programs that ultimately drive performance. A brand steward has an emotional investment in the brand and its performance.

RACIK. A brand steward or a brand champion has to have passion to make the brand successful. And a successful brand doesn't necessarily mean it has to be a billion-dollar blockbuster product. The product could be a maintenance therapy that still generates good revenue. The brand team — on both sides of the table — has to be passionate about the problem the product solves in the marketplace, as well as where that brand fits in the overall company portfolio.

PERLOTTO. In some companies, and this is a positive, more senior people are serving as the brand stewards regardless of the title —

category director or brand director — and they are starting to have longer tenures in their positions. Whereas more junior people, at the product manager or associate product manager level, are dealing with the execution and tactical elements in the short term and continuing to turn over on a fast-career track. That division of labor is important. And that works very well when it's done cor-

rectly.

GALLAGHER. It is important that both sides have a champion on the team who can determine how everything fits together. The best relationships for a brand's success involve both sides working closely together. When this happens the team becomes seamless and the brand is more successful.

TOPIN. I believe the brand steward on the client side needs to be someone in senior management. If the brand stewards are going to be changed every year or two, it is very difficult to maintain the continuity or a point of view that is longer than the next POA. I think there needs to be shared responsibility for communication activities, marketing activities, and a voice in product-development activities. The agency needs to sit at the table when these things are planned and discussed. The brand steward responsibilities can only be shared if senior management has a role in making decisions for the long term.

LEVY. On the client side, there has to be a person charged with long-term vision. Account managers and product managers tend to focus on a yearly plan. They are charged with day-to-day responsibilities and aren't able to take a long-term perspective for the brand. The brand champions or brand stewards analyze what is happening in the marketplace, especially what is going to happen three or four years down the road. So, from a pharmaceutical company perspective this outlook for the life cycle of a product is extremely important. From an agency perspective, we also need to empower a group supervisor or VP to make sure that we know what is going on in the marketplace, what is happening with regard to the competition, and what might be coming out as far as new products or challenges to our client's product. If an agency only concentrates on day-to-day deliverables, it is not providing the strategic vision to keep an account long term.

EISEN. Because clients, particularly the bigger ones, are becoming so siloed it is very important for agencies to have a brand steward. But all the strategic work that an agency does to maintain consistency and to develop long-term strategies can come to naught if there is not at least one person running the brand on the client side who sees the big picture and, more importantly, understands the importance of the big picture.

WRAY. Brand stewards are becoming increasingly important as the complexity of brand management has grown. This is particularly true if the relationship between an agency and the client involves a number of integrated services or is global in nature. Ideally, there should be a single point of contact on both sides to ensure more timely and accurate communication between the two parties. The skill set required to be a brand steward, on both sides, is fairly expansive.

ROSA-BJORKESON. Brand stewards are important on the client team and agency side, and this requires continuity. It is important to have corporate memory for each brand. The development and turnover on the teams need to be managed so that this brand memory is protected and the brand can be better developed. Brand stewards need to be mature marketers who can bring long-term vision without stifling creativity and the natural need to evolve.

IAQUINTO. The brand steward is the face of the brand. The brand steward truly understands the brand at its essence and serves to color all aspects of the brand's communication in a way that is unique to that brand. In the pharma industry, the brand manager often takes on the role of brand steward. The brand manager has to do more than make the day-to-day decisions about the marketing and management of a brand. The brand manager must be in touch with the changes in the marketplace — technological, competitive, structural, and even cultural trends — which ultimately drive their customers' decisions to prescribe. Sometimes, however, brand managers will focus so much on brand operations that they don't see subtle changes around them or what's coming over the horizon. Additionally, the strategic planning processes that many pharma companies undertake, while effective at focusing and driving a commercialization pathway, do not necessarily help to promote originality or creativity. In some ways, these strategic-planning processes contribute to a belief that marketing is a scientific process. This is where the agency brand steward can help provide a perspective, which is so important to keeping the brand fresh and relevant. The agency brand steward understands the brand essence in an almost abstract way and can bring the brand to life through many different communication opportunities, yet with a quality, style, and emotion that is unique to the brand. It is this insight that promotes differentiation and ultimately a sustainable strategy. Having brand stewards on both sides of the table can help build brand equity by promoting continuity of the brand vision. The dynamic nature of most pharma companies' organizational structure poses some challenges to the process of building brand equity. Where product life cycles are determined by patent expiration, the same principles to building brand equity apply: time and continuity are key elements. With the tenure of pharma brand managers averaging around two years, even great pharma brands can be at threatened if a deep understanding and commitment to the brand's essence is not shared from one era of management to the next. This is where having an agency brand steward can help.

MYERS. By definition a product manager or product director is a brand steward. The question is how well do people actually perform in that role. So many people are focused on the next POA or the next quarter that they lose sight of what they should be doing to maxi-



INTERLINK HEALTHCARE COMMUNICATIONS

Larry Iaquinto.

INSIGHT IS THE MOST IMPORTANT ELEMENT TO MANAGING THE BRAND-STEWARD RELATIONSHIP.

This insight must not only apply to the business of the brand, but also to the organizational and industry forces that influence the overall direction and management of the brand.

mize the brand throughout its life cycle. It is critically important that there is someone on the client side who is focused not only on the short-term objectives but the long-term objectives of the brand.

Most clients believe that they have this perspective, but in practice, more often than not, they are more concerned with what happens in the next three, six, or nine months, and as a result they often are not willing to take actions or to do activities that will help the brand in a year or two with little to no immediate return. For example, a client may know that a competitive brand may reach the market in 12 months to 18 months, but can't or doesn't want to develop a strategy to address this competitive entry because he or she may be more concerned about the sales aid for the next quarter. This may be appropriate, and even required, based on budget constraints. It does, however, potentially hurt a brand in the long run.

HANLON. There are companies that very much need brand stewards and others that believe they are strategic engines and are looking for agencies to only execute against strategies developed in-house. I believe that it is very important to have brand steward capabilities on both sides of the table so that there are checks and balances. Agencies should be able to challenge the client on assumptions and have a healthy and constructive dialogue, but not all companies agree with me.

CLIFFORD. Because of planned turnover on the client side, agencies end up being a focal point for product history, knowledge, and brand vision. The ideal scenario is to have continuity, experience, and knowledge on both sides of the table. Knowledge is the Holy Grail. Really understanding what has been done before — what worked and what didn't — and building upon that knowledge is critical.

HOLLAND. Brand stewards need to be selfless; they must think about the brand above all. In this regard, the agency and the client have shared goals, and thus sharing becomes an important key to success. The most important elements here are a high degree of communication, commitment, and creativity. First, good communication is essential. The team must meet routinely to share intelligence and activities across all marketing partners. Ideas must be presented, analyzed, and nurtured across all stakeholders. This kind of trusting, productive communication must be established to challenge traditional thinking and enable us all to look at problems differently. For this to work, it requires creativity and the ability to engage at different levels as necessary to support the clients' needs.

EVALUATING THE AGENCY-CLIENT RELATIONSHIP

HOLLAND. The most obvious and most important factor to an agency/client relationship is trust. If there isn't real, mutual trust between a client and its agency, then

there is no foundation upon which to build a relationship. But there is something even more important and elemental: how the relationship is defined. There can be a trusting "relationship" in which the client views the agency as a valued vendor and a strong implementation partner, yet I would not define this as a true relationship. For us, the most essential element in building a great agency-client relationship is to define the relationship as a true intellectual and strategic partnership, one in which the agency contributes real value to support the brand's success. An additional factor that helps strengthen the partnership is continuity. We recognize that brand management has a high rate of turnover. It's important on the client side that staff rotate across groups to gain broad experience from a variety of different teams. Agencies can provide an important balance to client-side turnover by providing an element of continuity. The development of long-term client relationships allows the agency to offer historical insight into the brand's past that can help to illuminate key strategies for its future. Finally, beyond trust and shared expectations about the value of the relationship, it's important to have patience.

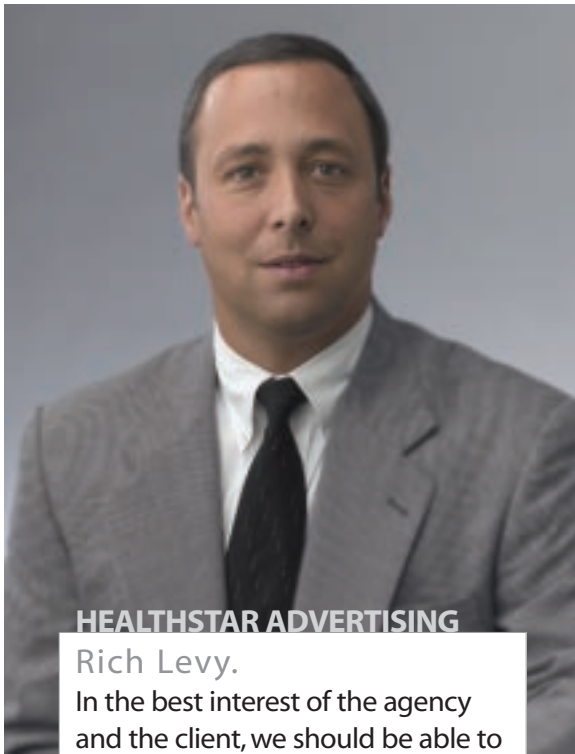
MALONE. Both the advertising agency and the client need to work together toward the same goal. The client must never believe the agency is working to advance its profits over what's best for the brand.

PUROHIT. Having a relationship built on communication, trust, and common goals to evaluate the brand is imperative. If the brand doesn't do well then the client doesn't do well and then the advertising agency doesn't do well. Obviously, the client has to deliver certain things and the agency has to deliver creative, strategy, and services.

HENSHALL. It's all about the people. Trust, respect, and integrity are built up through rapid involvement of the teams with a mutual goal. It can all go wrong if the people on the team don't trust each other. Nowadays, both the client and the agency are working even closer than before, with more detail and integrated strategic knowledge being shared. Budgets are tighter and timelines are shorter with huge pressures to deliver with a difference.

LEVY. The most important factor is making sure that the relationship really is a partnership. Clients need to view their agency as an extension of their marketing team and make sure that the agency is involved in all the key meetings.

WICE. Clients need to view us not only as an advertising agency, but as a marketing partner. This means we roll up our sleeves and work with the client as a partner. We may never know the data as



HEALTHSTAR ADVERTISING

Rich Levy.

In the best interest of the agency and the client, we should be able to sit down when negotiating a fee and agree on a fair margin. **THIS ALLOWS THE AGENCY TO HIRE AND RETAIN THE BEST PEOPLE FOR THE BRAND.**



COMMONHEALTH

Jim Clifford.

If agencies can refocus on the value we bring to a client in terms of brand leadership and move away from the issue of costs, **THIS IS A WIN-WIN FOR BOTH GROUPS.**

well as they do, but it's pretty close. The most important aspect in developing this type of partnership is having full disclosure. If the agency is to be part of the team, it needs to have access to all of the data, to all the meetings, to all the key opinion leaders. The more information the agency has, the better the agency can serve the client.

STEGALL. The relationship is important. Communication is

important. But ultimately those items become peripheral to the basic delivery of demonstrating value and bringing good ideas to the table.

RACIK. There has to be credibility on both sides of the fence. From the agency standpoint, we have to bring experience and passion to help drive the brand team to produce its best work. On the client side, they have to trust their agency partner, which again goes back to credibility, experience, and passion. Clients have to trust that the agency is making sound decisions, not only for their brand, but for them as professionals. Anything that advertising agencies can do to alleviate any real or perceived barriers to that trust will only enhance the relationship and make it more equitable. The other important element is having a shared culture and business philosophies. There are some agencies and some clients that have different cultures. When clients and agencies don't share the same values, it can have a disastrous effect on the relationship.

GALLAGHER. Clear expectations and objectives need to be established early on in the relationship. These expectations and objectives should be almost like a contract. In a way, we are making a pact with each other in terms of what is going to be delivered, how it's going to be delivered, and in what time frame. Sometimes advertising agencies become frustrated with clients because they don't deliver what the agencies need to do their jobs, and vice versa. Clients are frustrated because the agency isn't giving them the type of support they need. This might be because the client hasn't brought the agency into the process or hasn't communicated what the expectations are.

TOPIN. At times, agencies are not brought in early enough to have an impact on many of the broader marketing areas, so they are handed a strategy and expected to execute without having earlier influence.

EISEN. Beyond the issues of trust, honesty, and mutual respect there has to be mutual respect for the disciplines. The client-agency relationships that work best are the ones where the client will point out the problem and let the agency find the solution, and vice versa. So we don't try to do the client's job, and they don't try to do the agency's job. There is respect and trust in the quality of what the other party is doing.

WRAY. In no specific order, there has to be a high level of trust, communication, and access, as well as a spirit of shared ownership. The power of a strong agency-client relationship, founded on these principles, can have a major impact upon brand performance. We have found a wide variance among clients in terms of the amount of access they allow agencies into their internal nonmarketing functions. Without exception, agencies bring greater value to the brand when they are allowed greater access to nontraditional areas, such as clinical research, corporate communications, and sales training.

ROSA-BJORKESON. The three key factors to a good client-agency relationship are trust, teamwork, and inclusiveness.

IAQUINTO. Insight is the most important element to managing the brand-steward relationship. This insight must not only apply to the business of the brand, but also to the organizational and industry forces that influence the overall direction and management of the brand. At the basic level, it starts with understanding the brand steward's level of knowledge and, more importantly, the level of empowerment and how that affects the overall direction of the brand. At a higher level, a good understanding of the forces within an organization that either support or put pressure on the brand's ability to deliver can ultimately help the brand steward leverage organizational resources or navigate through potential obstacles.

MYERS. The most important factor is trust, and by that I mean trust in each other with mutual respect for ideas and within a system of mutually beneficial support. There has to be a belief founded in this idea of "trust" and understanding that both teams, regardless of where the effort or idea is coming from, have the best interests of the brand at heart.

BRYEN. The experience and competencies have to be in place so

LYONS LAVEY NICKEL SWIFT

Steven Wice.

The most important thing in an agency-client partnership is full disclosure and having us as part of the team. **THE MORE INFORMATION WE HAVE, THE BETTER WE CAN SERVE THE BRAND.**



relative importance of the piece or the time sensitivity in getting a piece through, and it sits in regulatory review for a month. Priorities have to be managed, and everyone has to understand the impact of the decisions that are being made across all of the activities to make a tactic become a reality.

OVERCOMING AGENCY-CLIENT CHALLENGES FOR LONG-TERM SUCCESS

RACIK. Many times clients have long-term contracts with their IT vendors or consulting groups, which tend to be for three to five years. This allows companies to get the best economies of scale. So why do companies have one-year contracts for their brand marketing and communications partners?

TOPIN. We all talk about it, we all try to deal with it, but the average life of an account has become shorter and shorter. To overcome this, clients should make a commitment to their agencies for a longer term. Most clients recognize this as a major problem, but they keep waiting for the next campaign to see what the agency can do. Therefore, the agency's work is not always treated as a long-term asset or as an investment. Also, the decision-making process is not always in the hands of senior managers who have the capability to make

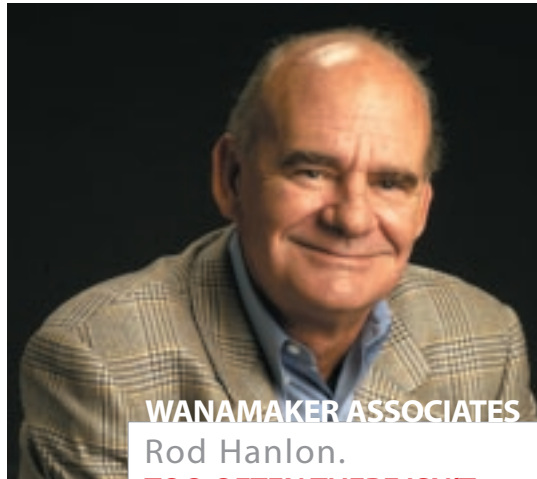
and keep long-term commitments.

the work performs to the client's satisfaction and process needs.

HANLON. In my experience, it is a matter of trust. I would say the first tenet of trust is the financial relationship between the organizations, and how that is established, from a compensation standpoint. A staffing plan has to be in place. Clients want to be sure that they are getting what they are paying for in terms of the quality and quantity of the agency's staff.

CLIFFORD. There are three core factors in a client-agency relationship: transparency, talk, and trust. Real teamwork is based on transparency. Everyone needs to know what is on the table so there aren't hidden agendas. Then there's talk; unfortunately in today's busy environment, we don't stop and communicate effectively. When there are substantive issues to be discussed and resolved, this can build the bond/trust between the agency and the client. Each party needs to make real time to "really" get to know each other and find out what the important issues are for each member of the team.

PERLOTTO. There has to be open communication, a willingness to share information that has impact on the brand and approach the challenges and opportunities in a collaborative way. Everyone's thoughts and ideas, whether they are perfectly aligned or not, need to be evaluated in the bigger picture of the betterment of the brand. The other element is to be very clear so that everybody has the same priorities and that they are shared priorities. Oftentimes, the difficulty comes when there's a lot of drive to do something but that commitment isn't shared across the entire group of stakeholders involved. For example, one issue is getting a piece through and approved by the company's regulatory group. The brand team and the agency team may have a much different perspective on the



WANAMAKER ASSOCIATES

Rod Hanlon.

TOO OFTEN THERE ISN'T ENOUGH COMMUNICATION BETWEEN THE CLIENT AND THE AGENCY to identify problems and opportunities for improvement and to address them on a current basis.

HOLLAND. First, advertising agencies need to be transparent. This is the cost of entry into the conversation. Too often, clients believe that agencies are trying to hide something and this is a real impediment to building a trusting and equitable relationship. It's important to establish open, honest communication. Similarly, clients should treat agency teams as full partners. To accomplish this, especially as agencies work more and more with the clients' procurement departments, it's important that the brand marketing teams become involved in these discussions. I'm convinced that the marketing teams understand and value the contribution that agencies make. And, when an agency is contributing at a particularly high level, providing the highest level of brand stewardship and strategic and creative value. Then the procurement departments need to hear this from the marketing team. It should be a three-way discussion. This will elucidate the fact that all agencies are not the same — and the needs of all brands are not identical, either — and therefore all agencies' contributions cannot be remunerated on the same model. Lastly, as agencies participate more and more in their clients' procurement initiatives, it would be helpful if the pharma companies understood how costly the typical agency pitch is. Agencies are asked to continually invest in the pitch process and then to share in the cost-cutting initiatives of the client once they have won a piece of

business. I believe that an agency that has done great work for its client — added value and improved efficiencies — should occasionally be rewarded with brand assignments without a pitch. I know, it sounds like sacrilege. But it's a really potent way to foster a more productive partnership. In short, the agency needs to contribute at the highest level and then the marketing team needs to make certain that the agency's value is understood within the client company. All of this can be accomplished if the agency and client partners establish a shared set of expectations for each party to contribute to the relationship and diligently monitor that relationship over time.

STEGALL. The best thing that agencies can do is be very up front in their pricing for their services. Agencies should be able to say: this is what we believe is needed, here is what we charge to perform that service, here are the elements of the financial relationship that we can be flexible on, let's sit down and work it out. On the client side, it is really the mirror image of that. Clients have to start with a good understanding of what they truly expect to be able to spend to support a marketing effort and share that information and be forthright with a set of reasonable expectations. It is not uncommon where the expectations and the budgetary support are not in alignment. As true partners, we can have a conversation about what we need to accomplish and the reality of the budget that will support those efforts, and what is the maximum optimal effort that an agency can give the client for that amount of money.

TOPIN. Depending upon the client's practice, if the agency is viewed as another vendor, financially managed only through the procurement department, then the agency's ability to view its role as a brand steward and deliver concepts and ideas in the broadest marketing sense is challenged.

WRAY. Fundamentally, both parties need to realize fair value and return on their investment. If that shared value proposition gets out of balance, this should be addressed openly and quickly. To put it in simple terms, if a client's brand is enjoying exceptional, budget-exceeding performance, yet the agency is operating in an environment of pricing pressures and concessions, this is not an equitable relationship. Unfortunately, this seems to be a trend in our industry. The value of healthcare communications — to brand performance and health outcomes — is too significant to have it discounted arbitrarily.

CAPANO. The problem is that pharmaceutical companies are facing cost pressures from their internal departments, be it the procurement group or sourcing group, to cut "x" number of dollars from the tactical program or strategy. In turn, as the budget gets cut, it becomes more and more difficult for agencies to maintain the continuity of their staff. Short-term cost pressures have a direct

WISHBONE

Judy Capano.

The better job an agency does of bringing the strategy into every element executed throughout the course of the year, **THE MORE SIGNIFICANT THE AGENCY'S VALUE BECOMES.**



U.S. CONCEPTS

Bradford Bryen.

Confirmation of a written brief, a written copy platform, and frequent, collaborative reviews of work in process **KEEP BOTH SIDES PROGRESSING TOWARD AN ALIGNED BRAND CONCEPT.**

impact on the agency's ability to manage the brand longer term.

IAQUINTO. The ties between an agency and pharmaceutical organization can range from being simply a relationship to a mutually beneficial partnership. The latter entails a broader and deeper understanding of the challenges facing each organization and a sincere effort toward creating an equitable agreement, from both a financial resource perspective

as well as a human resource perspective. A more equitable relationship could include further exploration into the financial and human resource impact of annual changes in staffing costs, volume of work, type of work, consolidation of agencies and agency networks, product manager changes, retainer-based agreements, performance-based business approaches, and much more. Open discussions between the agency and company on these topics enable both organizations to agree on an arrangement that can be mutually beneficial. The future, though, will continue to change; pharmaceutical and biotech companies expect from their partners new ideas, new approaches, new processes, and, most of all, proven best practices. Advertising agencies that are able to consistently provide this value, in addition to high-quality work, on time and on budget, will more often find the label of partner following their name and will find that their agreements with companies will indeed be equitable. ♦

PharmaVoice welcomes comments about this article. E-mail us at feedback@pharmavoice.com.