

GLOBAL BRANDS: **the next** **MARKETING wave**

BY TAREN GROM

Creating the right **snap, crackle, and pop** for global pharmaceutical brands is fraught with **plop, plop, fizz, fizz**. Pharmaceutical companies and their agencies recognize the importance of going global and are adopting a **Just Do It** attitude.

Some argue that pharmaceutical brands cannot be compared with fast-moving consumer goods because of regulatory issues, patent constraints, pricing practices, and diverse market segments. Others contend that pharmaceuticals are fast-moving consumer goods and should be viewed as commodities worthy of good creative and strong, integrated global marketing strategies.

Companies that adopt a Just Do It global brand attitude will be successful; eight major countries make up about 80% of worldwide sales. Companies have to be global.

The benefits and positive impacts of adopting a global branding approach are many, including establishing brand equity, making a product easier to differentiate from the com-

WE CAN CREATE A GLOBAL BRAND. We can centrally develop a personality for that brand. We can develop iconography for that brand. We can develop all of the various elements that say, this brand is recognizable. But if the manufacturer of the brand allows each individual country to develop that brand for its own purposes, you could easily wind up with a Tower of Babel effect.

petition, increasing long-term sustainment of the brand position, improving the ability to communicate a corporate vision, achieving greater leverage of marketing resources, and increasing consistency of communications, internally and externally.

JEDBEITLER



BRAND NAMES

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JUST DO IT. NIKE

BEITLER. Global branding is the Holy Grail. The standard line is: I'm talking to you on my global brand, while I'm drinking my global brand, wearing my global brand, driving in my global brand. And then, clients wonder why we can't do that with pharmaceuticals as well. But, the global brand that they're talking on, that they're drinking, that they're wearing, and that they're driving has the same brand name all around the world. And that brand has the exact same use all around the world. You talk on a Motorola, drink Coke, wear Nike, and drive a Ford. Some of our brands don't even have the same indications around the world. They don't even have the same brand names around the world. At times, they are not even marketed by the same company around the world. Global branding is what we would all like to achieve, but we have a lot of hurdles to overcome. Regulatory environments, pricing issues, and usage are just some of the many factors that all come into play.

GULFO. Global branding is significantly important; it is a brand that is instantly recognizable to a physician or a customer anywhere around the world. The brand evokes the same emotion, it connotes a benefit to a person, whether that person is a physician or a patient. All of those things are instant. Someone sees the brand, thinks about the attributes, thinks about the benefits, and thinks about that emotion that the brand is supposed to evoke. With the Internet and global communications, both to patients and prescribers, having a global brand gives us a leg up, because now we have something that is

instantly recognizable to patients and prescribers around the world. This is key. That's a big challenge in the pharma industry, it's much easier in the consumer world, where

The name game

There are close to 17,000 drugs in the United States being marketed on a daily basis and thousands and thousands more in the European Union, which now encompasses 15 countries. In the U.S., there are close to 110,000 trademarks in class 5 pharmaceuticals. Overseas, in the European Agency for the Evaluation of Medicinal Products (EMA), there are more than 1 million trademarks.

"Manufacturers would all prefer a global trademark, for a number of reasons," says James Dettore, president and CEO, of Brand Institute Inc. "First is cost, second is consistency of a message throughout the world, and third, and most important, to build equity on one brand name versus the actual fragmentation of dollars spent to market multiple brand names."

With so many trademarks in both the EU and in the U.S., pharma companies are having more and more trouble getting one trademark in both parts of the world.

According to Mr. Dettore, companies look for their brand name to meet several criteria.

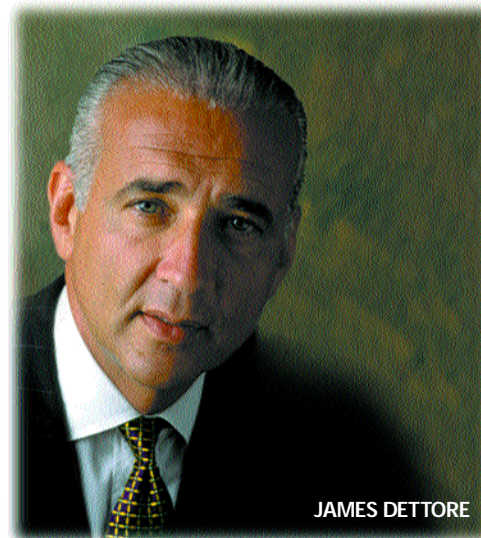
"Everybody loves a name that is commercially acceptable, that fits the concept, and that fits the actual end-benefits of the product or the profile of the product," he says.

To find that name, companies must deal with linguistic issues. They test the name against multiple languages, including the 11 languages of the current EU member nations.

"Some letters or the pronunciation of names are sometimes quite difficult or almost impossible for some nationalities," Mr. Dettore says.

Trademarking is another hurdle that companies must overcome when deciding on a brand name.

And lastly, there are the FDA and EMA regulatory criteria. According to Mr. Dettore, regulatory authorities are escalating their efforts to reduce medication errors caused by sound-alike and look-alike names.



JAMES DETTORE

TO FIND THAT NAME,

companies must deal with linguistic issues. They test the name against multiple languages, usually 12 languages in 15 countries in Europe.

Because setting up global nomenclature architecture has become so difficult, pharma companies are starting to evaluate the 80/20 rule, Mr. Dettore says.

"80% of the revenue is from 20% of the world, which

is typically the U.S. and the five key countries in Europe — the U.K., Italy, Germany, France, and Spain," he says. "So companies want to have a common trade name in those key markets."

Adding to the conundrum, is the three-letter safe-harbor rule. "This is still in place in the EU," Mr. Dettore says. "The three-letter safe harbor rule, states that any new names coming into the marketplace must have three distinguishing letters that are different from any of the current trademarks already established in Europe."

"There are only 26 letters in the alphabet, most brand names are usually at least three syllables long and 12 or 13 letters in maximum composition," he says. "As a result, to try to get a name that is three syllables, 12 or less letters, and different enough from any currently marketed brand by three letters is becoming quite a feat."

When the brand name can't be the same around the world, companies try to maintain at least the same root. For example, Zantac, Azantac, and Zantique.

Mr. Dettore says by keeping the essence of the core selling proposition, the root, companies maintain the key communications component for the name. The name can be tweaked subtly either in a prefix, suffix, or an infix, so they can overcome various hurdles throughout the world, whether they be regulatory, trademarks, or linguistics.

someone can easily recognize a brand. Branding and marketing play on the individual's subconscious. People don't only make decisions based on rational or conscious data. The subconscious mind plays into this as well.



LEIGH FEATHERSTONE

FEATHERSTONE. I can't think of any good reason why a prescription drug product cannot be a global brand. If you look at the reasons why some say they can't, they don't actually stand up to analysis.

DURRANT. While global branding can be difficult, it is a necessity as customer beliefs and attitudes converge. Globalization and industry consolidation are clear forces. Those are a couple of the reasons why global branding has to happen. But the reason why it hasn't happened consistently is because global branding is really hard to do.

GULFO. We are moving more toward developing molecules globally. At AstraZeneca we have global product teams. We are trying to ensure that when our products launch, they launch around the world at the same time with one name, with similar indications, or with one set of indications, and similar dosages.

PAZ. Branding at a global level has become very important for the pharmaceutical industry, because of the many efficiencies involved in packaging, opinion-leader development, and brand recognition at every level. What we haven't seen is the centrally directed global execution of a marketing strategy. Most companies develop a global campaign or a global strategy then turn it over to the local markets with certain guidelines for execution. We envision a time in the future when there will be a lot more central control over the execution of the marketing strategy, driven by a global brand management team.

I CAN'T THINK OF ANY GOOD REASON WHY A PRESCRIPTION DRUG PRODUCT CANNOT BE A GLOBAL BRAND. If you look at the reasons why some say they can't, they don't actually stand up to analysis.

COTHERMAN. I don't think there's any question any more that globalization is the direction where things are moving. Global brands are inevitable. They are here to stay. The brands we're working on today are being developed and launched as global brands. There's not even a discussion about clients being regional.

BEITLER. We can create a global brand. We can centrally develop a personality for that brand. We can develop iconography for that brand. We can develop all of the various elements that say, this brand is recognizable. But if the manufacturer of the brand allows each individual country to develop that brand for its own market purposes, you could easily wind up with a Tower of Babel effect. We would not be communicating with each other, because we'd be speaking in different ways.

GIEGERICH. The fallacy is that the agencies are going to lead clients into globalization, when in fact, agencies can really only go as far as the client structure and mandate toward globalization allow. We are moving along a continuum and we are a lot farther now than we were five or 10 years ago, but we are not yet to the common notion of what true global branding is. We're not there because centralization of control on the client side isn't there yet.

WHITTEN. It's extraordinarily important to develop global brands because there is so much more leverage. We can leverage our position, leverage the brand name, and leverage our resources. I think the time is now for truly global branding because there are environmental changes that are making things more homogenous.

ACTIVE HEADQUARTERS.

POLO/RALPH LAUREN

DURRANT. Global branding needs to be built on a foundation of important principles within an organization. Is the organization about local market company autonomy or is it very centralized? The majority of today's companies are somewhere in the middle. Pharmacia, for example, has a broad set of global consistencies, but allows for some regional and local marketing modification in pre-agreed areas.

GULFO. All AstraZeneca's products and molecules, whether they are in early, preclinical, clinical, or late-stage clinical development are developed and marketed and commercialized around global product teams. AstraZeneca has a very solid structure to deliver global brands and global products and it starts with the global product team.

PAZ. We can work with clients at any level — from a global core launch campaign to executing every promotional cycle in every country. Euro RSCG can set up an account team that is geared toward the client's desire for centralization. Regardless of the level of autonomy allowed in the execution stage, it is very important for all stakeholders to achieve consensus and work together toward the successful execution of the global strategy. I'm not sure that companies are ready to start executing a single strategy at the tactical level in every country in a centralized fashion. I don't even know if that makes sense right now. We think that doing it on a regional level is not a bad idea, but to take it down country by country, I think the jury is still out.

COTHERMAN. Global branding is an evolutionary path, and we have different clients at different stages. Some clients are very committed to everything being centralized and then exporting the ideas around the world with a mandated usage in those marketplaces, sometimes for a specified amount of time. Clients are looking for consistency and unifor-

imity. We are no longer seeing clients allow any country to do what it wants to do, when it wants to do it, unless it's well down the road of product introduction in that country.

FEATHERSTONE. "Not invented here," is still a very powerful driver for product managers wherever they come from in the world. It's not just a U.S./ex-U.S. problem, it's a global problem. I have a lot of sympathy for the U.S. brand managers in this regard. The U.S. market is about 50% of the world market, maybe more, and if I was an American product manager and I was looking after 50% of the world market, I would want everything to be done for me, for my market. On the other hand, European marketers often regard their local markets as being special and different to the rest of the world. Therefore, they are loathe to accept anything that is global in nature, because they perceive their market as having special needs, their doctors as being different, their end-user consumers as being different, etc. Very often the truth is, customers aren't that different and the customers' needs aren't that different; what is different is the distribution channel or the intermediaries that they have to promote to in those individual markets.

BEITLER. A client may put together a global core campaign that's centrally driven out of a global marketing unit. In the case of a U.S.-based company this may be done out of the States or if it's a European-based multinational company out of the local European market. In some cases, larger markets such as the U.S., France, Germany, Italy, Japan, Australia, Spain, Brazil, Argentina and Canada may decide to use the campaign as is. Or they may decide that they have enough money to develop a different strategy for their particular market. They may cherry pick and use some of the elements from the global core campaign, but decide for their particular market that the strategy or the core graphic element is off target.

GIEGERICH. The politics of any of these client

companies is always going to be there. There always will be the struggle between the local markets and the headquarters mentality. There's always been a built-in resentment to the U.S. dominant world-view of these organizations. Some companies are trying to set up mechanisms where a global group is charged with orchestrating the truly global components of the business. Those components largely fall into the premarketing realms. But then as a product launches, the U.S. tends to take on huge significance because of the amount of sales driven in the U.S. market.

WHERE DO YOU WANT TO GO TODAY? MICROSOFT

DURRANT. Global branding professionals require a pioneering spirit to establish a commitment to leadership in a therapeutic category. Just because something hasn't been done that way before doesn't mean it can't be done.

The people who are in key positions to be able to make global branding work have to have those kinds of skills.



CAMERON DURRANT

GLOBAL BRANDING NEEDS TO BE BUILT ON A FOUNDATION OF IMPORTANT PRINCIPLES WITHIN AN ORGANIZATION.

Is the organization about local market company autonomy or is it very centralized? The majority of today's companies are somewhere in the middle.

GIEGERICH. Going back 15 years, the global part of the business was really a hinterland within client companies. It was a place where people were trying to coordinate work that affected overseas markets. In the last five years, there has been real participation by all of the overseas markets in the market-assessment phase.

WHITTEN. The internal challenge that we face, and most companies face, is the discipline to have one global positioning. Because there will always be a country or two that thinks that the global positioning won't work in their backyard. But as it turns out when the research comes back, while there are some differences, usually there can still be global positioning.

Sometimes the results surprise people in the local markets. That's the advantage of having a global brand team. When team members are involved in the process and it comes time for implementation, they will help implement the global strategy and have a stake in making it successful. To me the challenge is more internal than external, that is, sticking with only one position for a product globally.

CHANGE THE WAY YOU SEE THE WORLD SONY

GULFO. Years ago, drug development was more or less contained to individual large markets. Now, the goal is to develop compounds such that they have similar indications, similar dosages, and similar usages for physicians around the world.

PAZ. The major companies in the industry are looking for a global brand, they are looking for an unmet global need for that brand to fill, and they are looking to launch their products in each of their major markets as close together as possible. In the old days, a company would take 10 years to launch a product around the world. Today, they are looking to launch their product within two years of the first launch. Under this scenario, a company can really see the benefits of a global brand. Companies also are starting to plan further ahead, in a global sense, for future indications, and how their brands will evolve over time. That's where the trend is going.

COTHERMAN. Right now 70% of our business can be defined as global. Each of our clients is on a different evolutionary path. They are at different stages, but it's very clear to us that they are all moving along the same path. Companies are looking, evaluating, and determining what the proper criteria are for global brands. Global brands are easier to build in areas where the patient population is relatively consistent and the disease state is relatively consistent country-to-country. Basically, the more uniform the attitudes and experiences are around the world, the greater the chances for success of a global brand. In most product categories, there's more justification for pursuing global brand initiatives than not.

FEATHERSTONE. I don't think there's a therapeutic category that couldn't support a global brand. In prescription medicines, some marketing people have an amazing ability to amplify differences rather than define similarities.

WHITTEN. There are differences in customer types. For example, in the U.S., non-small cell lung cancer is treated primarily by oncologists. In Japan, there are very few oncologists; there is no board certification for oncology, so non-small cell lung cancer is often treated by internal medicine physicians. We are marketing to different types of customers with different backgrounds and different educational levels.

GIEGERICH. The logic of global synergy and the power of commonality is far more potent than the rationalization of how different things are around the world. The overarching truths in healthcare make things more similar and common around the world. The issues of health and disease and humanity and emotion and the promise of science provide a far greater common thread than the differences of language and the idiosyncrasies of any given marketplace.

WHERE MONEY LIVES. CITIBANK

COTHERMAN. I believe the whole global movement resulted from an economies-of-scale need more than a brand-building initiative. Clients have decided that if they can pay a single agency to do one campaign and leverage that campaign around the world, then they don't need eight agencies in eight countries developing those campaigns.

GULFO. It makes a lot of sense from an economical standpoint to develop brands globally. If the U.S. will ultimately drive 70% of the profits for a brand, then making sure that that brand is going to resonate well with physicians in the U.S. has to be a key criteria for that brand team. And, hopefully, the message resonates equally as well in Europe. We cannot have a global strategy that works really well in Europe, but is okay in the U.S. We have to look at the biggest market. In some disease areas the U.S. may not be the biggest market. So, it's not always that the U.S. rules, it depends on the segment. For certain products, it's a 50-50 split and then we have to find something that is equally effective around the world.

GIEGERICH. I don't think we'll ever get to a point where there is absolute dictatorial control. And I don't think that's a bad thing. At



the end of the day, if there is going to be good global marketing, there has to be good consideration of local market differences. There is a need to empower local marketing managers to make decisions on a local level and to give them the responsibility for the profit and loss results in their markets. If everything is centrally directed, then responsibility for results lies centrally and that's not an effective way of motivating a corporation on a global level.

IT'S YOUR FUTURE. BE THERE. MERCK

PAZ. Currently, there are certain elements of the branding campaign that remain true throughout a product's life cycle. Meanwhile, there are other elements that continue to evolve over time, taking on a life of their own. What we would like to see in the future at the global level is planning the follow-up strategies, not just the launch, but the next strategy, a year later, two years later, and even a brand's whole life cycle. We see that becoming more and more important in the future.

DURRANT. Groundwork must be laid before a company can globalize a brand. Companies must first have the right competencies in the people running the brand to develop a philosophy that's open to borrowing practices from consumer brands, while having a seamless

WHAT WE HAVEN'T SEEN IS THE GLOBAL EXECUTION OF A MARKETING STRATEGY.

We envision a time in the future when there will be a lot more central control over the marketing strategy, driven by the client.

communication ethic with agency partners. Unless a company is committed to these ideas, it is unrealistic to think globalization will happen. I suspect global branding has discouraged people in the past, because they have not figured out a strategy to implement these ideas.

COTHERMAN. I don't think there's any question that the global brand is here to stay and in fact, it's going to

increase in importance going forward. We don't have a client today who is saying it overtly wants to create individual brands with separate identities in each marketplace. That may happen serendipitously, but it is rarely a planned event today.

FEATHERSTONE. I don't think any company is really there yet. I'm certain that many international marketing departments are alive to the issues involved in creating global brands, but it's going to require a culture change in the companies, globally, to be able to implement a global brand. For example, we run global brand identities for Pfizer in about 35 countries and for Roche in 47 countries, successfully. But the Pfizer and Roche divisions that are involved are their OTC divisions, not their prescription medicine divisions.

BEITLER. All the big pharma companies are going after big brands that affect most of the world's population, whether the condition is

arthritis, pain management, cancer, diabetes, hypertension, cholesterol, depression, etc. They are going after diseases that affect everybody. The key is to find commonalities in diverse patient populations. If a company develops a common strategy, one that's consistent around the world and resonates around the world, then it has succeeded in developing a global branding message.

marketing and R&D teams early on, there is a commitment to a global brand identity.

RACIK. Globalization is important when evaluating blockbuster products, the \$1 billion or \$2 billion drugs, and that goes back to the clinical trials. Even with a sound hypothesis, the issue comes down to the clinical base of information, and how Washington, Belgium, and Tokyo are going to view the data.

GLOBAL BRANDING COMES DOWN TO HUMAN NATURE, RELATIONSHIPS, AND PERSONALITY. Clients haven't said, thou shall do this and do nothing else.

FEATHERSTONE. A new drug starts as a molecule in the test tube to treat a particular condition. By definition, at that stage the new chemical entity is 100% global because it works to treat, for example, type 2 diabetes. During the commercialization process, that complete 100% global focus becomes progressively diluted. So by the time the product is launched in the U.S., in Europe, and in Japan there is often a very different face to the brand in those markets. Companies often spend a great deal of money in allowing local product managers to interfere with a central brand vision during the commercialization phase. To no one's great benefit.

GIEGERICH. In healthcare when we talk about globalization, it largely means all of the pre-clinical work, the clinical work, the thought-leader development, the market development, possibly positioning, copy-platform testing, and maybe some broad creative explorations that could be applied on a global level. That's about as far along the spectrum of global market execution as we've traveled in pharmaceuticals. Then when it breaks down into implementation, truly launching the products, it tends to fragment country-by-country, or at worst case, region-by-region. There is definitely fragmentation because markets tend to be so different in many executable areas, in terms of the competition, the regulatory allowances, pricing practices, other market dynamics in any given therapeutic category. The local markets tend to take on more control when it comes time to execute, but in the premarket phase, centralized, more globally developed efforts are under way.

WHITTEN. Part of the future of marketing is

pharmacogenomics. In the future, we are really going to discover why different cultures or patients with different ethnic backgrounds respond to one particular medication. I define marketing as ensuring that everybody that can benefit from a product or service does so. To do that, we have to start at ground zero with the clinical-trial program. By that I mean, having geographically diverse, ethnically diverse, men, women, sometimes children in the clinical trials programs. To do multicultural marketing correctly there needs to be diversity in the clinical-trial program. There has to be an understanding of the regulatory environment and what's needed in the various regions around the world. What are the requirements for approval? How is the label going to look?

CONNECTING PEOPLE. NOKIA

WHITTEN. We have truly global brand teams, meaning we have in-market representatives on that brand team early in development, not in Phase III, but back in Phase I and II. We want someone from Europe, someone from Japan, and someone from maybe South America on a particular brand team. That creates challenges, too. For example, it's tough to schedule a meeting where you're not interfering with someone's sleep cycle.

GULFO. Global teams are initiated as soon as we have the molecule out of discovery and ready for development. A global product team includes individuals who are experts in development as well as individuals who are experts in research, marketing, branding, etc. The team includes both the business/market/commercial side and the development side. The global product team is very small, when we are at the molecule stage. The team could get to be huge, depending upon the size of the brand and the potential of the marketplace.

DURRANT. A company must have a centralized global branding direction and employees with a global perspective. Often, there are people who have worked in just one market or just one function and they do not have the cultural exposure or the life experience to be able to acknowledge how different or similar things truly are. If someone has lived and worked in many different countries and cultures, he develops a sense that there are some things about human beings that are exactly the same, wherever you happen to be, whatever language you speak.

FEATHERSTONE. International product managers have lots of responsibility with not very



GIEGERICH. Global marketing has come a considerable distance, but it still has a long way to go. The difference is between here's the core binder, hope you like it, to where we are now, with truly global teams working on every level of market assessment, market development, positioning, etc. That's a real step forward.

WE BRING GOOD THINGS TO LIFE.

GENERAL ELECTRIC

DURRANT. If we can establish seamless communication across the R&D, marketing, and sales teams, we will ensure we have the global perspectives to have a successful brand. Much of this happens around commercialization. However, before commercialization, we have to think about positioning and prior to that, we have to identify what is the value proposition that we are trying to craft around the brand positioning. Often, brands which could be major global forces, do not receive that input. As a result, a brand ends up in the hands of marketers who have not had the benefit of the richness or the experience relating to the development of the brand. These people have not interacted with R&D enough or at the appropriate level. A company then, winds up with a value proposition and a brand position that cannot be substantiated when it gets to the market. If there are formalized, strong, and competent communications with the

TIM WHITTEN



much authority and most country marketing managers and product managers do not report directly into a central marketing function. As an agency, we have to go through a client affiliate buy-in process. When we are working with global campaigns, we actually regard that process as being as important as addressing our efforts to doctors and patients. If we don't spend real time and attention bringing local affiliates into the program, marketing departments wind up producing a big fat binder full of CD-ROMs that sits on some shelf somewhere and never gets used. Years ago, when you asked why, they said, well, nobody ever asked me what I thought of it. That kind of export mentality toward globalization is really gone now. International marketing departments realize that there has to be a different way of working. Local marketers are beginning

to become more alive to the benefits of buying into a global campaign. But this involves changing behaviors and changing attitudes, and it takes a while. There can't be a global campaign unless everybody's running it.

BEITLER. We all wrestle with structure. If clients are asking for global capabilities and are coming from central marketing companies, then do they need all that we really can provide them? Are they looking for our expertise in every major region of the world? Or are they looking at our ability to tap into resources everywhere around the world? That's a big difference.

The one thing we really try hard not to compromise on is having one global positioning.

WE TRY VERY HARD NOT TO POSITION OUR PRODUCT DIFFERENTLY FROM COUNTRY TO COUNTRY AND CULTURE TO CULTURE. By

positioning, I'm talking about that space in the customer's mind, be that the physician, the patient, the pharmacist, the nurse, or whomever.

WHITTEN. It is extraordinarily important to have the right team composition, people who have diverse experiences, diverse backgrounds, and who have lived in different cultures. I don't think a company can be successful without having that team in place. Whether that type of team is brought together as a decentralized global marketing function or whether that team is located in the headquarters, a global team needs that diversity.

MINDS. WIDE OPEN.

GOLDMAN SACHS

GULFO. Will a pharmaceutical product ever become the Coke or the Nike? We are certainly getting closer. If you were to look at the budgets that those companies spend to brand their products to consumers, it's an order of magnitude higher than what the pharma industry spends in branding our products. We all talk about making our brands, for example a Celebrex or a Lipitor, into a Nike. Probably the closest brand to that would be Viagra. We are moving more and more toward having patients and prescribers around the world recognize our brands. Could our products have a branding element like the Nike swoosh for example? Maybe. But how much did that cost Nike to do? That's not the way the pharma

industry chooses to spend its money, and there are very good reasons why that is.

PAZ. There are restrictions outside the U.S. with direct-to-consumer advertising. It will be difficult to achieve the level of recognition of a Coca-Cola. There are still differences in brand recognition between one country and another because of the level of spending.

BEITLER. Can we develop global brands? Yes, we can, but marketing that brand globally is another issue. Will a pharmaceutical product ever achieve the same marketing status as Coke? I don't know. There are some brands that become part of pop culture. Prozac is a great example, it's become part of the lexicon. Viagra has become part of the lexicon. Those brands have been marketed very well and have succeeded very well.

DURRANT. Global branding is difficult because the pharmaceutical business has few previous examples. Global brands such as Pepsi Cola, BMW, and Mercedes are wildly successful on the consumer side. Pharmaceutical brands should apply some of the thinking that goes with consumer brands. In many cases

pharmaceutical products share certain elements of fast-moving consumer goods. Everybody likes to think that pharmaceuticals are different. In some important instances they are, but they have a lot of similarities with fast-moving consumer goods. Viagra, Prozac, and Zantac are huge brands. Are they megabrands because they are global? Or are they global because they are megabrands? My personal view is that there can be brands that are not necessarily megabrands, and they are understood globally, but if you want a megabrand you have to be global in your thinking. By megabrand, I am referring to a brand that has several billion dollars in sales within the first two years, it is launched in all the major markets within that time frame, and it is a class leader.

COTHERMAN. Everybody needs to take into account patent expiration. What we're talking about is creating the largest possible brand that we can in the shortest amount of time, and sustaining that over the life of the brand. That's probably the fundamental difference between an individual pharmaceutical brand and a brand such as a BMW or a Coca-Cola — sustainment in the prescription pharmaceutical industry is by definition limited. The hardest thing for us is to come up with a common idea that's acceptable in every marketplace.

When we're looking to gain consensus around a creative idea, we're dealing with cultural issues. Differences oftentimes have a certain leveling effect on the creative idea and therefore, when you look at the global campaigns that exist today, the majority are average and not breakthrough.

MATT GIEGERICH

IMAGING ACROSS NETWORKS. CANON

DURRANT. I believe consistency constitutes megabrands and global branding. Key elements of branding consistency include colors, name, and feel. With regard to the name, because of trademark issues, the brand name might be slightly different in some market. However, it is beneficial to maintain the same name in major markets. It also is important to have a consistent, clear brand identity.

THE FALLACY IS THAT THE AGENCIES ARE GOING TO LEAD CLIENTS INTO

GLOBALIZATION. When in fact, agencies can really only go as far as the client structure and mandate toward globalization will allow. We are moving along a continuum and we are a lot farther now than we were five or 10 years ago.

WHITTEN. We really try hard not to compromise on having one global positioning. We try very hard not to position our product differently from country to country and culture to culture. By positioning, I'm talking about that space in the customer's mind that the brand occupies. We want the physician in the Netherlands to think of our product the same way as the physician in the U.S. It may not come together all at the same time, but at some point in that brand's life the objective is to have one global position. And under that, are the messages. That's what can be tailored from country to country, culture to cul-

GIEGERICH. In packaged-good companies, such as Coca-Cola, there is usually a real centrally led mandate to be consistent. There are mechanisms to make it happen and the authority to enforce full consistency. Literally, headquarters is empowered to direct the local markets. Headquarters directs what the branding will look like, sound like, feel like, what the overall strategy is, and what agencies to use — this is important from our perspective. When there is that authority and central mandate coupled with the ability to execute through a common agency network, the degree of commonality and the potential for truly global execution is multiplied tenfold.

I don't think there's any question any more that **GLOBALIZATION IS THE DIRECTION WHERE THINGS ARE MOVING.** Global brands are inevitable. They are here to stay. The brands we're working on today are being developed and launched as global brands. There's not even a discussion about them being regional.

ture. Some cultures may value one feature or one attribute of a product more than another culture.

GULFO. The challenge is that we can't forget the need for local execution and local tailoring for that brand. Sometimes a global brand team may try to take the global brand concept too far into detail. A campaign has to meet the local needs of that country. What might be a very attractive campaign in Germany may not fly in the U.S. or Italy or Sweden. We set very high expectations of how much we think can really be consistent around the world. We have to allow for flexibility in local execution and local campaigns. The core visual image, the core colors, or the key graphic — the overall brand personality — has to remain consistent.

RACIK. In the States, if a company with a pain-relief drug wanted to use a Formula 1 race car as part of its brand image, it would probably fail here. But in France or Monaco, it would be hugely successful. It's important to look at global marketing from a positioning perspective and a brand promise. The brand promise can be global. How a company wants doctors, patients, and governments, and other payers to look at its brand promise can be global, and it should be global. However, the actual tactical execution of that brand promise may or may not, and should or should not look the same.





ADELE GULFO

INSPIRATION TECHNOLOGY.

COMPAQ

BEITLER. We always talk about the fact that the Internet, language, communications vehicles and technology have made our world smaller. From a consumer brand perspective, yes that's the case. But, healthcare marketing has been ahead of the curve in a number of ways. While we're behind the curve compared with other aspects of branding from the packaged-goods world, the healthcare industry's research and database capabilities as well as its ability to develop integrated marketing, which the consumer world embraced only relatively recently, have been going on for eons.

SCOTT COTHERMAN

GULFO. Technology has fostered global initiatives. The Internet is driving global communications and it's driving patients and prescribers to see things as one. The best chance to enhance your communication instantly is when someone sees a global brand. Videoconferencing, e-mail, and Intranets are helping to drive global initiatives.

WHITTEN. Technology has allowed us to have global brand teams that are really effective and efficient. In the past, companies really couldn't do that. Videoconferencing, e-mail, the

Internet — all those things have basically taken away any excuse in my mind to have global brand teams at major pharmaceutical companies.

Branding and marketing play on the individual's subconscious. **PEOPLE DON'T ONLY MAKE DECISIONS BASED ON RATIONAL OR CONSCIOUS DATA.** The subconscious mind plays into this as well.

WE'RE RIGHT BEHIND YOU. EVERY STEP OF THE WAY.

PAMPERS

WHITTEN. When choosing an agency, we want one that's diverse and employs people with different experiences. We look for agencies that don't only have a U.S.-centric approach but that have a strong presence in the rest of the world. It's extraordinarily important that we find an agency with those characteristics.

GIEGERICH. In my experience, there are few examples of pharmaceutical companies actually dictating commonality, including the common use of an agency network around the world, and having the authority to truly centralize that activity. There are a few companies that are striving toward that end, but the process tends to break down at the point of launch. The power and the authority and the P&L responsibility tend to breakdown into local markets.

GULFO. I've worked with global agency networks and independent agencies. Both have their flaws. I don't think there is a perfect world. A global agency may have strengths and weaknesses in different markets. It may be really strong as a U.S. agency and may have arms and legs in France and Germany and Italy, but it may not be as well attuned to those markets. To try to find a global agency that is as equally strong with U.S. creative as it is in creative in other countries is a challenge. I would rather get the best minds in each country, regardless of what the agency calls itself. The global product teams have to make sure that all the agencies are working together and communicating and are consistent with their global message and global publications. This responsibility falls on the shoulders of the company's brand directors/product managers as the ultimate coordinators.

COTHERMAN. By using the global marketing package, local countries don't have to invest in developing their own marketing package. Instead they can reallocate the dollars to their customers for project management, meetings, relationship building, or other local customer-oriented efforts. That's not a bad thing for clients.

PAZ. One of the advantages that we have being part of a network, is that we are able to tap into creative talent that might not be available to us

if we were just one agency here in the U.S. For example, when we develop a creative work plan for our client, we distribute the plan to the best creative and strategic minds in the network to have them develop advertising. The best ads are then taken to the client, but they are not "American" ads that are then dictated to other parts of the world. They are truly global ads that answer the global unmet need that we're trying to satisfy.

DURRANT. We work with a network of agencies that have people in each major market. These agencies are either wholly owned by the parent agency or have some kind of explicit preferred relationship with that agency. We also insist on having a person on the ground, coordinating the input between that region's center. The really important thing is sharing best practices quickly, as well as sharing the mistakes and what not to do.

BEITLER. We pride ourselves on having offices in a lot of key strategic markets around the world to assist our global clients. But some clients will work with a headquarters unit and use the U.S.-based company to develop the core campaign, because they send it out in a suitcase to all the different markets. They don't expect the agency to execute it locally. The advantage for Sudler & Hennessey is that we have a lot of our folks on transnational teams who work together on that global core campaign. Our people in Australia, Italy, France, the U.K., the U.S., and Canada all get together to create a global campaign, therefore they already are up to speed on the marketing issues, the strategic issues, the market research, the creative, etc. This can help a great deal with local execution. This helps the global client drive that message strategically and creatively into the local markets. ♦

PharmaVOICE welcomes comments about this article. E-mail us at feedback@pharmalinx.com.