



Biomedical Marketing HEMA 914

Spring, 2013

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Course Description

The biomedical industry is beginning to understand and appreciate the importance of marketing. It is becoming very clear that success in the industry comes from a combination of great science and strong marketing.

The core marketing concepts are broadly applicable across industries. Positioning, for example, is important for every brand. However, the biomedical industry presents unique marketing challenges; marketers have to deal with complex regulatory, competitive, scientific and ethical issues.

This course studies how marketing concepts play out in the biomedical industry. The course includes case studies, guest speakers, student projects and discussions.

The overall goal of the course is to build your skills as an effective marketing leader in the biomedical industry. Specifically, the course will help you to:

- Understand the key players
- Apply marketing strategies successfully in the biomedical industry
- Appreciate the importance and significance of rules and regulations
- Think through ethical issues and considerations

The focus of the course is on application; we spend less time on the basics of the industry and more time looking at how to apply marketing concepts.

Course Requirements

New Product Analysis - Team (50% of the course grade)

Over the course of the semester, students will analyze a recent new product launch in the biomedical industry. The project will culminate with a presentation highlighting your findings and a written paper of up to 15 pages including exhibits. Most of the presentations will be during a class session. A few might occur outside of class. The

goal is to analyze the launch and identify the key learning points. The paper and presentation should cover topics including:

- The product and the market space
- The launch plan
- Your assessment of the launch plan
- Results
- Learning points

Each team will have fifteen to twenty minutes to present; I will finalize presentation times once I know how many teams there are in the class.

Team rosters are due in class 3; most teams will be 5 to 7 people. Teams will need to submit a topic with a short summary in class 6.

As part of the evaluation process, group members grade each other's participation. These grades play an important role in the determination of grades for this assignment. Weak team feedback can and generally will reduce a student's grade for this assignment by one full letter or more.

Short Assignments - Individual (30% of the course grade: 15% each)

Students will do two short assignments during the semester. There are several different options to choose from. These are all three page papers.

I will select several students to present their point of view to the class.

Class Participation - Individual (20% of the course grade)

Class participation is critical to the success of the course, as the quality of the discussion is largely in your hands. Cold calls are common. Please plan to attend all the classes and to arrive ready for the case or discussion. In addition, please plan to stay for the entire class. I will do my best to start and end on time.

Computers and smart phones are not allowed to be used in class. Surfing seems to be an inevitable and unfortunate result and it is distracting for everyone.

Honor Code

The course will of course follow the Kellogg honor code.

In our case discussions, please limit your reading and analysis just to the information presented in the case. Please do not do external research before the class discussion, because this makes the discussion and analysis difficult. After the class discussion, of course, you can research as much as you want, and this is a useful thing to do.

Course Administration

I am on campus most days and happy to meet to discuss the course, careers or other issue. Please send me an email to set up some time.

I will be using Blackboard to post announcement, class notes, articles, case summaries and other materials. Please check Blackboard regularly for updates.

The attached schedule shows the class plan, with topics, assignments and readings. The class schedule will almost certainly change during the semester due to pacing and guests. To accommodate guests I may add or a drop a case from the schedule. The latest schedule is always posted on Blackboard.

Readings

Case packet

The case packet is essential as it contains all of the cases we will cover during the semester. It also contains articles for the course. I will post many of the articles for the course on Blackboard.

Books

There are two books for the course. Both are relatively light, but they provide useful insights into the industry.

Complications

This is an entertaining and informative book written by a surgeon. It provides a fascinating look at the life of a physician.

Hard Sell

This book created quite a stir when it came out; it is a not entirely flattering look at the life of a pharmaceutical sales representative. It should be taken with a grain of salt. It is highly entertaining.

Optional Reading

I have posted a recommended reading list on Blackboard for those who want to read more about the biomedical industry.

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<u>Session</u>	<u>Topics</u>	<u>Assignments for this Class</u>
1: 4/3	Course Introduction	Read: Syllabus
2: 4/4	Case: FluMist	Prepare: FluMist Case* Read: <i>Complications</i> (Part 1)
3: 4/8	The 4 Ps	Submit: Team rosters Read: National Health Spending in 2011 Read: Note on Health Insurance Coverage* Read: <i>Complications</i> (Parts 2 and 3)
4: 4/11	Dr. Jeff Kopin	Read: "Drug Sales Calls Wear on Doctors"
5: 4/15	Marketing to Physicians	Read: "What's Keeping Us So Busy" Read: "A National Survey of Physician-Industry Relationships" Read: "Artificial Joint Makers Settle" Read: "Drug Companies Pay \$25 Million" Read: "Stopping Drug Reps at the Door" Read: <i>Hard Sell</i> (Chapters 1 to 6)
6: 4/18	Case: Circle Gastroenterology	Prepare: Circle Gastroenterology Case* Submit: Presentation topics Read: <i>Hard Sell</i> (Chapters 7 to 13)
7: 4/22	Case: Crestor	Prepare: Crestor Case* Submit: Paper topics
8: 4/25	Case: Marketing Antidepressants	Prepare: Marketing Antidepressants Case*
9: 4/29	Guest: John Hixon, Eli Lilly	
10: 5/2	Marketing to Consumers	Read: "Promotion of Prescription Drugs" Read: "To Inform or Persuade?" Read: "A Decade of Direct-to-Consumer Advertising"

11: 5/6	Case: Eli Lilly: Xigris (A)	Prepare: Eli Lilly: Xigris (A)*
12: 5/9	Case: Gardasil*	Prepare: Gardasil Case*
13: 5/13	Guest	
14: 5/15	Developing Strong Campaigns	
15: 5/16	Case: Orexigen	Prepare: Orexigen Case*
16: 5/20	Guest	
17: 5/23	Case: Synvisc*	Prepare: Synvisc Case*
18: 5/30	Guest: Scott Ward, Medtronic	
19: 6/3	Presentations	Prepare: Presentations
20: 6/6	Presentations Course summary	Prepare: Presentations

Final assignment is due 6/13/12 at 11:30 PM

** In the case pack*

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Case Discussion Questions

FluMist

1. How good a product is FluMist? Why?
2. How should MedImmune position FluMist?

Circle Gastroenterology

1. How well is Fluxbloc doing? Why?
2. What should Circle do now with Fluxbloc?

Crestor

1. Why is the statin market so large?
2. How did Lipitor become the leader in statins?
3. How should AstraZeneca launch Crestor?

Marketing Antidepressants

1. Why did Prozac do so well?
2. Was Lilly good or just lucky?
3. How did Zoloft and Paxil enter the market?

Xigris

1. What are the strengths and weaknesses of Xigris?
2. What should Peter Sheffield focus on to ensure the launch is a success?

Gardasil

1. What is the cost per QALY at a price of \$120 per dose, or \$360 per person?
2. Is \$360 per person too high or too low?

Orexigen

What is the value of Contrave?

Genzyme: Synvisc

Is the viscosupplement market attractive?

Should Genzyme fund the proposed trials? Why or why not?

If so, should Genzyme include the comparison to Synvisc?

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Short Assignment Questions

Students need to submit two short assignments during the semester. You can choose from the five topics below.

Papers should be no more than 3 pages in length. The best papers will be clear and convincing.

Just use the information in the case when answering the question. The one exception: you can do external research when considering the direct to consumer marketing question.

These assignments are due 1 day before the class session. I may ask two students to present to their analysis to the class.

Crestor

Develop a launch recommendation for Crestor. Consider:

- Message: what should AZ say about the product?
- Physician target: specialists or primary care physicians?
- DTC: should AZ invest heavily in marketing to patients?
- Pricing: what should be the price of the 20 mg dose?
- Spending: how much should AZ spend on the launch?

Marketing to Consumers

Do you agree with the following statement? Why or why not? Feel free to do external research when answering this question.

Congress should pass a law prohibiting all direct to patient marketing efforts by pharmaceutical and medical device companies.

Gardasil Case

Calculate the cost per QALY at a price of \$120 per dose (\$360 per person).

Orexigen

What is the value of Contrave?

Genzyme: Synvisc

Should Genzyme fund the proposed trials? Why or why not?

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Group Evaluation Form

Please list below each member of your group. For each person, assign a grade (A, B, C, D, F) that reflects their overall contribution to the group's output. Please consider the quality and quantity of their work. Responses are confidential, and can have a substantial impact on final class grades. Feel free to provide comments.

Your name:

Your team number or topic:

<u>Team Member</u>	<u>Grade</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Comments: