
Editorial

Journal of Medical Marketing (2008) 8, 275–276. doi:10.1057/jmm.2008.26

Marketing has been at the eye of the storm that the pharmaceutical industry has weathered over the past years. At times, pharmaceutical sales and marketing teams have had to carry more than their fair share of blame and do most of the damage control related to products that have had to be withdrawn from the market or subjected to substantial label changes. While some may regard these activities as core to pharmaceutical sales and marketing, but they are also good indicators of a changing role and place of the marketing manager in our industry. At the same time, we are seeing increasing scrutiny of the return on pharmaceutical marketing investment (ROI). There is some evidence, however crude the metrics, that ROI has not dramatically improved, following the radical cuts in manpower and sales and general expenses undertaken by all major pharmaceutical companies. There are certainly a lot of stories of companies doing more with less people in the marketing arena, but many of these accounts remain apocryphal tools used by consultants to sell further restructuring and marketing efficiency improvement.

The history of restructuring of sales and marketing is long and littered with failed initiatives. In the halcyon days of pharmaceuticals, the consulting industry aggressively touted the matrixed organisation — a holy grail of seamlessly integrating R&D with sales and marketing. Even when money was no issue, the matrixed organisation was hailed as an efficiency and ROI generating rejuvenation cure for any pharmaceutical company's bloated organisational structure. Implementing the matrixed organisation generally required a busload of consultants

over many months that generally left marketing teams perplexed and thereafter often angry. No gathering of senior pharmaceutical marketers, especially social, will not include a series of accounts of how a matrixed organisation was sabotaged and ultimately dismantled at great cost.

Today, the pharmaceutical giants do not have the luxury of unconstrained resources permitting experiments such as the implementation of a matrixed organisation. In reality, organisations that have been de-layered due to personnel cuts do become more matrixed as managers are forced to work together when superfluous intervening departments disappear. In many cases, however, it takes a long time for the institutional memory or hard-wiring to disappear — in other words companies often have to live with the phantom of their downsized workforce.

The fundamental question of why pharmaceutical marketing ROI has not increased substantially following drastic cuts in sales teams and expenses has not yet been substantially addressed by academic researchers. Perhaps this phenomenon is more linked to the fact that the industry has less and less innovative therapeutics to sell, rather than to any decrease in efficiency? Physicians are probably happier to see more space in their waiting room for patients, as there are less sales representatives around to charm their office staff. There is a gradual uptake of innovative communication media and techniques to market to a range of new stakeholders in increasingly networked healthcare systems. Pharmaceutical marketing in an age of regulatory scrutiny, and even suspicion, is not cheap. Legal, government and regulatory affairs

departments need to be bolstered and the requisite quick-reaction times demand that companies have sufficient slack to meet a range of new eventualities. No stone is left unturned in the new marketing environment. One needs only look at the series of scandals concerning pharmaceutical industry sponsored scientific publications or the intensifying debate on the role of industry in continuing medical education to get a flavour of what is still to come. Areas such as medical journal relations, professional journal advertising and the management of academic communications and reprints, once thought of purely administrative tasks, now have profound implications for the pharmaceutical industry.

It is against this backdrop the *Journal of Medical Marketing* is receiving more and more articles on specialised marketing topics. The link between these articles is not the need to do more with less; but rather a growing realisation that the days of shotgun or blockbuster marketing are finally over. Every customer counts and is precious. Can the industry indeed ever aspire to be more customer-focused if it continues to slavishly cut sales and marketing budget following every piece of bad news?

LEONARD LERER
e-mail: [leonard.lerer@
journalofmedicalmarketing.com](mailto:leonard.lerer@journalofmedicalmarketing.com)