

2015 APEC Business Ethics for SMEs Forum

Biopharmaceutical Sector Workshop

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Sales and Marketing Thermometer Game

How hot is this issue?

The following scenarios should be discussed in your groups. They have been developed for use in training sessions to enable discussion about a wide variety of sales and marketing practices. While you will wish to consider whether or not there is a breach of any law, regulations or codes of practice, the main purpose of this exercise is to discuss:

Is it a 'red hot' issue or do you feel quite 'cool' about the scenario?

That leads you to consider:

- What level of response is needed? For example, urgent corrective action? Disciplinary procedures? Individual re-training?
- What is behind the issue and how could it be prevented from occurring again? Revise internal policies? Commission a new training program? Is a new auditing or monitoring initiative focused on this area justified?
- Debate the scenarios and decide where on the thermometer scale you would place each issue.

Scenario 1

Your company's sales are below budget, but your new marketing manager is extremely enthusiastic and was recently recruited from a major competitor. Those very same competitors are making rather borderline claims about their products and getting away with it – there's never been a complaint so it's never been established whether the claims do in fact breach the Mexico City Principles. You suspect that they probably would be in breach but nevertheless a defense could be constructed (perhaps a 70% chance of a breach being ruled if a complaint were made). The marketing manager decides to use similar claims. You feel uneasy but accept that if you block the new campaign claims you will be putting the company at a commercial disadvantage. You are also not absolutely sure that the claims do breach the Mexico City Principles. Where on the thermometer would you place this scenario?

Scenario 2

Company X has a good relationship with AAA - an asthma patient support group. They see the value of Public Relations (PR) activities (press releases, etc.) to support their work. Company X agrees to allow its PR agency to work with the patient group to highlight their treatment advice for asthma and the brand manager agrees to pay their account – up to a ceiling of \$10,000 over 2 years. The asthma treatment advice from AAA supports the role of Company X's asthma product, but this is not surprising because it is generally accepted to be the most effective and best tolerated treatment in its class. Because of adverse publicity in the media about the pharmaceutical industry, the patient group AAA decides not to include reference to Company X support in any of the PR materials produced. However, Company X will be mentioned in AAA's annual report as one of the companies that has provided financial support and AAA will be listed on Company X's website as a patient group they have supported with a cash donation.

Scenario 3

Two good quality studies support efficacy claims for Product X. A new, bigger trial now reports data that are contrary to the previous results and place Product X in a less favorable light compared with a major competitor. With the new results, the balance of evidence no longer supports the claims in the current promotional material. The product team has decided to re-examine the new trial results – they run contrary to all expectations and the team is perhaps not unreasonable in suspecting that there may be some procedural anomalies that could invalidate the results. The product team decides to take no action with respect to the current promotional material until the re-examination of the trial results is complete. A high workload means that this cannot be scheduled for at least 6 months. Where would you place the scenario on the thermometer scale? Would this be a hotter issue if the new results seemed to suggest poorer tolerability rather than lower efficacy?

Scenario 4

The only nominated signatory on your team is on holiday. The brand manager decides to re-deploy a detail aid used 3 years ago without re-approval of the nominated signatory (there has been no change in dose or indication since that time). The detail aid is needed at an important conference. On her return the nominated signatory is asked to sign the re-approval certificate retrospectively. She refuses to do this because the item has already been issued - though there is nothing wrong with it.

Place this issue on the thermometer scale. Would your decision be affected if the nominated signatory had noticed that there is a mistake which was also in the original piece (for example, the key to one of the graphs was inaccurate)?

Scenario 5

At a major regional meeting, a very important Professor arrives with a partner who you know not to be his spouse. He has paid for the partner's airfare and the Professor indicates he will pay for any extras in the hotel. The Professor brings his partner to the Company X sponsored dinner and the restaurant staff set an additional place. You later find the Professor has not settled the hotel extras bill and has emptied the contents of the hotel mini bar and not paid for it. Your colleague suggests that in the circumstances we should 'put this down to experience'- we will know better next time and will not pursue him for payment this time. Place this issue on the thermometer scale.

Scenario 6

Company X is organizing a patient support program around a new anti-viral treatment. Company X plans to provide free commercial packs to some patients who cannot afford the medicine but are suffering from this disease. Once patients start on this treatment, they cannot stop or change medication because of the potential for viral resistance development. For this reason, Company X will provide full commercial packs of the medicine to ensure compliance to the treatment and proper intake frequency. Doctors will record patient names and diagnosis into company forms (which are retrieved by pharmaceutical sales representatives) as well as give coupons to patients. Company X will send commercial packs to patient's addresses directly to avoid delays in treatment initialization. Patients, who were given coupons by doctors, send them back to Company X to ensure it has been delivered to each patient and to receive subsequent doses. Please place this issue in the thermometer scale.