



Sealion Consult
Bridging Science & Life

A B2B MARKETER'S GUIDE TO THE PHARMA INDUSTRY

Marketers and business development professionals often struggle to understand the pharmaceutical industry and its unique needs, compliance requirements, and language.

In this quick guide, Sealion Consult share our views on how you can create forward motion in your journey towards success in this demanding industry. We propose five steps that can help take you from ordinary to extraordinary value propositions.

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Mind your I knowledge gaps

Imagine sliding comfortably into your next customer meeting without that constant fear of being caught in a flood of medical jargon that might as well be gibberish from a Far Side comic strip.

Or, imagine if you could become a trusted partner that educates your pharma customers and foresees how you can help them solve their future business problems.

Business development can be a tough job for marketers, sales professionals, and other customer-facing employees who do not understand the subject matter and objectives of their pharma customers.

Without a sound understanding of your customers' environment and language use, it is nearly impossible to have an "intelligent" business conversation or move from a good service offering to a great value proposition.

How do you get there?

If you ride along with your competitors and focus on cost/efficiency optimization without a distinct value add, then you probably end up in the back seat with nothing else than a bag of plain white sugar in your portfolio. There are plenty of such commodities and products on the market that meet specifications and offer good services. But they are not winners that contribute to long-term business issues. If you want to get in front and stay in the long-term, you need to understand your customer's business problems almost as well as you do your own.

ACCEPT THE JOURNEY

The pharma industry is extremely complex on all levels; internally as well as externally. It is highly innovative and dynamic, yet also risk-averse and process driven. Despite the fact that this is one of the most heavily regulated industries in the world, it is also a very attractive market with a constant flow of investments, unmet medical needs, and new therapeutic interventions.

If you want a piece of the pie and you are new or emerging in the industry, you should find your most important knowledge gaps and set up a roadmap on how to close them.

Accept that you will be on a constant learning curve and that this is okay.

TAKE THE DRIVER'S SEAT

Winning business in pharma requires knowledge, specialization, and high quality.

Some service providers become intimidated by the quality and service demands of the industry and forget that they are really the experts in their own avenues. If your ambition is to become a trusted partner, you should take ownership of your customer interactions and upskill your workforce to speak their language. It will pay off in the end!

THERE WILL BE BUMPS

Intelligence into the pharma industry, and its regulatory landscape can be a long-winded road. You can easily get lost in a stream of information which runs in a different direction than your strategic outlook. Needless to say, it can be hard to know what you don't know. So you may need to engage an external industry consultant to help you navigate. They can help identify your needs and how you can acquire insights.



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earn the ABC of pharma



It can be daunting to initiate conversations with pharma buyers if you are new to the industry or wish to expand your services into new customer segments. Acquiring foundational insights can not only help you design compelling and competitive value propositions. It can also facilitate Go-to-Market messaging, and help your employees succeed. We suggest four domains you should put on your curriculum.

THE DRUG LIFE-CYCLE

Medicinal drugs have a long and complex development process which takes up to 10 years on average¹.

Before a drug can enter the market, it must proceed through a number of investigational stages that generate enough scientific data on its safety and efficacy to obtain a marketing approval from regulatory authorities. Several pre-clinical² and clinical studies must be executed in a phased or partly phased development process.

Drug development is a planned and highly controlled cycle, but biology and research results are unpredictable. Only 12% of drugs that enter the clinical stage are eventually approved by the US Food and Drug Administration¹. And failure is an option at every stage of an investigational medicine.

The results from a single study can change, delay, or even terminate the course of a drug development plan.

Service providers that are not CROs, CMOs³ or other mission-critical vendors, may become surprised by the extent of change management needed to serve pharmaceutical customers and the long ramp-up periods that can follow contract sign-off. Because the industry is research-driven and highly complex, you should make an effort to understand how your role in the drug life-cycle may be impacted by changes.

After a drug candidate becomes an approved, commercial product, its indication may be expanded into new patient populations or disease areas which requires additional studies and regulatory approvals. For some service providers, this can become a sweet spot for repeat business.

Understanding how your business fits into the life-cycle of the drug can be of great value to your business model generation. It will help you discover and craft solutions, setup workflows, manage risks, enable sales, and elevate your Go-to-Market messaging.

KEY REGULATIONS

Drug regulations are territorial because national competent authorities (regulators) are responsible for public health in their respective jurisdictions. But regulations are also becoming increasingly harmonized across regions.

If you are familiar with harmonized standards and the core regulatory framework for medicinal drugs, you will better be able to identify new business opportunities and regulations relevant to your business propositions. If you also implement recurring regulatory trend monitoring and impact analysis, you can even get ahead of competitors with new or add-on value propositions.

A note of precaution: If your services are subject to specific compliance requirements, you may need to acquire external expertise and implement a quality management system. It is critical that your compliance policy is proportionate to your role and responsibilities. Otherwise you may be building a skyscraper when all you need is a studio.

Harmonized quality standards include the Good Practices or GxPs published by the ICH.org. Core regulations for medicinal drugs can be found in the US Code of Federal Regulations (CFR, Title 21), the European Union EudraLex, and the Japanese Pharmaceuticals and Medical Devices Act (PMD Act). These are also referred to as the Founding Regulatory Members by ICH.

¹ Innovation in the Biopharmaceutical Pipeline, PhRMA, 2021

² While clinical studies involve human testing, pre-clinical refers to studies conducted prior to human investigations, e.g., laboratory or animal testing.

³ Contract Research Organizations and Contract Manufacturing Organizations.

STAKEHOLDERS

Pharmaceutical enterprises tend to be fragmented across geographies, therapeutic, and functional areas. Sometimes you may find yourself becoming a gatekeeper of information flowing between internal stakeholders on the customer's side.

To be able to navigate within your pharma customers' infrastructure, roles, and responsibilities, you should invest the necessary time to map your stakeholder landscape. Look beyond the procurement professional that may be your single point of contact far into the sales funnel. There is no guarantee that procurement understands the concerns and preferences of your "real" customers, - those who rely on your support. Many services are simply too complex in pharma for procurement to acquire deep domain expertise.

In a nutshell, you should study the roles and responsibilities of all stakeholder layers and understand what their needs, wants, and pains are. If your solution is a Clinical Trial Management System, then you should study the responsibilities of trial managers and how clinical trials are executed end to end. What keeps them up at night and what do they want?

An easy way to get started is to study job ads, either on company websites, job sites, or in social media. Not only will they describe the responsibilities of the jobs but also the personal attributes needed to succeed and tackle the challenges of the jobs. Professional titles are quite standardized in pharma which will facilitate your search.

Reading conference programs and listening to panel discussions are other ways to capture the conversations and issues impacting different stakeholders. Additional intelligence sources could be annual reports and insights or blogs published on websites.

Of course, the best method is to engage in direct dialogue with your stakeholders and listen to their business concerns. If you get this chance, you are probably already beyond the commodity stage or in a constructive dialogue. It is surprising how few companies will actually ask for direct input given that most of us are naturally wired to share our concerns. Most people like to be heard by someone who cares to listen. But when you ask, do it with intent to act.

Once you identified and characterized your stakeholders, you can start to develop strategies for how to interact with them.

LANGUAGE

Medical and industry language are far from the vernacular and it almost goes without saying that you should develop a minimum language proficiency within your pharma division. This is however easier said than done!

Pharma is packed with acronyms, jargon, and specialized vocabularies across scientific, medical, technological, and regulatory disciplines. The language used by industry professionals is sometimes referred to as *Medicalese*, equivalent to what many know as *Legalese* in the legal world. As in other highly specialized fields, pharma professionals spend most of their days communicating peer to peer and they are schooled in a language which is unique and deep-rooted in their profession. In other words, it may be difficult for them to imagine that someone else does not know what they know. Steven Pinker⁴ – professor of Psychology and researcher on language and cognition – refers to this phenomenon as the "Curse of Knowledge". Obviously, far from all communication is "cursed", but language is a barrier for many business conversations.

Studying the terminology and acquiring a basic literacy will be a great help to engage in equal conversations with your customers.

Study your stakeholders



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who are they?
what do they need?
what do they want?
what keeps them up at night?
what are they saying?

⁴Steven Pinker, *The Sense of Style*, 2015.

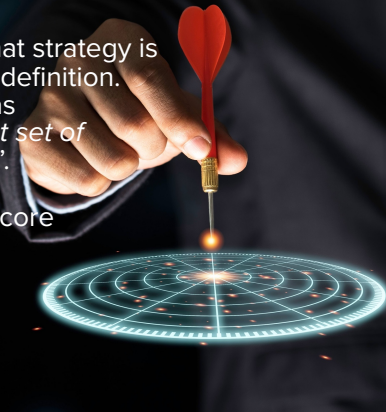
Implement a pharma strategy

Many companies struggle to create a successful business strategy even though they have strong mission and vision statements and a great product portfolio. Why is this?

Part of the explanation may be that strategy is a concept without a single, clear definition. Mike Porter¹ described strategy as “*deliberately choosing a different set of activities to deliver unique value*”.

We can boil this down into three core activities:

- **make choices**
- **create value**
- **be different**



STRATEGY IS CHOICE

Working with strategy is a type of scoping exercise where you focus your efforts on a specific number of customer and market segments and define how to create unique value propositions that are both compelling and solve for their business needs. However, to obtain a viable competitive position today, service providers also need to be different. This can either be by performing different activities from your rivals or similar activities in different ways². Strategy is hard work but it can be powerful when you get it right.

TAILOR TO PHARMA

If you want to win in the pharma arena, making deliberate choices and then sticking to those choices is critical. The pharma industry is in the business of transforming health and the world of medicine. So they look for partners that

can create true value within that overarching aspiration.

No matter which role you play in their arena, we argue that you need a tailored strategy for your pharma division. Why? Because a winning strategy for the consumer healthcare market is not necessarily a winning strategy for the prescription drug market, and vice versa. And because a winning strategy for investigational drugs is not per default a winning strategy for commercial drug products.

The point is that your customers are different and specialized. They are not playing the same game and it is not necessarily the same issues that keep them up at night.

LEARN TO SAY NO

The pharma industry is complex and scope creeps resulting from absent, unclear, or immature strategies can be

expensive and time consuming. Especially when employees are not clear on the strategy or empowered to turn down customer requests. Ambitious and well-intended sales or marketing professionals can drain the organization in painstaking service discovery exercises, only to conclude that the necessary capabilities or systems are not in place. Or worse, you end up delivering a failed service that jeopardizes your customer relationship or even patient health.

No one wins in the context of misguided strategies and your pharma customers will respect you for saying no. Saying no confirms your reliability, and commitment to do the right thing.

GET A GREAT START

A very useful strategic methodology can be found in the *Playing to Win* framework developed by A.G. Lafley and Roger L. Martin³. It is based on a cascade of questions that will help you make some tough but necessary strategic choices that can make the difference between (just) playing and winning the game.

Lafley and Martin do a great job of demystifying strategy but also confirming that strategy is much more than a set of mission statements.

¹Michael Porter, *Competitive Strategy*, 1980.

²Michael Porter, *What Is Strategy*, Harvard Business Review, Nov./Dec. 1996.

³A.G. Lafley, Roger L. Martin, *Playing to win*, 2013.

ASPIRE AND PLAY

The cascade of questions in the *Playing to Win* framework starts with your winning aspirations (your purposes) and moves stepwise in an iterative process to clarify:

- where you want to play (which segments you compete in),
- how you will win in these segments (value propositions/ competitive advantage),
- which capabilities you need to win (technologies/ resources/subject matter expertise),
- which management systems you need to win (quality management system/learning management systems/ customer compliant systems).

The strength of this framework is the iterative flow of questions that force you to finetune and make your strategy coherent.

IMPLEMENT AND WIN

Once your strategy is matured, it should be presented and discussed across the organization. Strategy has zero value if it is a piece of paper hanging in the C-suite hallway or a Powerpoint slide deck on the intranet.

Strategy is a way of thinking, executing, and communicating. You should therefore train your employees in how to present and enact the strategy. Clarifying the messaging and scoping of your strategy should be part of your strategic roadmap and it will help you stay on track.

Strategic work is difficult because it relies on cross-functional communication and interaction.

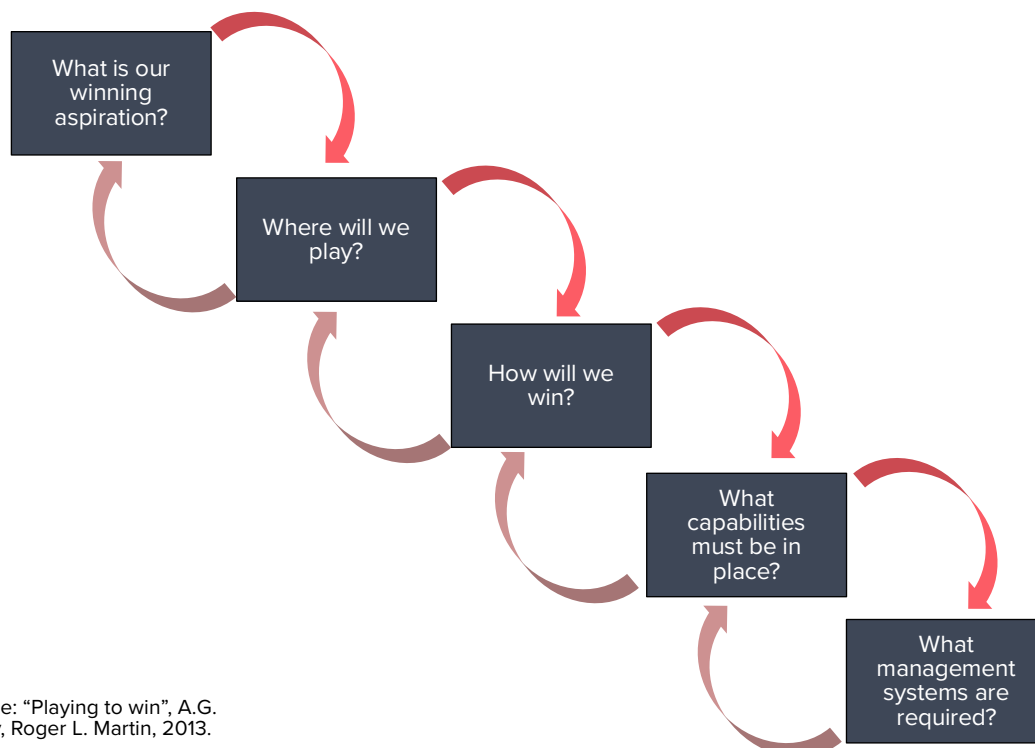
THREE TIPS ON HOW TO IMPLEMENT STRATEGY

Be concise when communicating your pharma strategy. Remember you rely on employees to turn the strategy into action, and they may not be comfortable with business jargon or strategy. Consider training sessions and involvement of key personnel in the strategic roadmap.

Instruct leaders and employees on how to act when faced with customer requests outside the scope of the strategy. Turning customers and business prospects down is difficult and requires narratives and business justification.

All content internally and externally should be anchored in the strategy. Consider an internal playbook and style guide to drive consistency and reputation in the pharma industry. No size fits all in this highly specialized industry.

Cascade of strategic choices



Source: "Playing to win", A.G. Lafley, Roger L. Martin, 2013.

F ind your pharma voice

BRING IDEAS TO LIFE

Armed with industry knowledge, language proficiency, and a winning strategy, you are now ready to decide how you will present your pharma brand and value propositions to the market. If your company serves multiple industry sectors, you probably have a corporate identity to lean on when developing your pharma playbook.

WHAT IS YOUR VOICE?

A brand voice is "the unique and consistent manner in which a company communicates with its customers and audience. It's the embodiment of your brand's personality, setting it apart from competitors and striking a chord with your target groups."⁴

A brand voice can be powerful if it is authentic and true to your values. It should leave a lasting impression with your audience, address their needs, and not least be consistent across all your platforms. The voice is closely associated with your brand tone which refers to the manner of expression, for example language, style, and emotions. The tone should resonate with your audience and be adjusted to the context.

A powerful brand voice can establish trust and credibility and differentiate your brand from competitors. It may

be beneficial to develop a brand voice chart where you capture your values, how these tap into values of your pharma customers and the voice you will choose.

As an example, almost all pharma customers value quality. If this falls within your corporate aspirations, your brand voice could be one of dedication, focus, or consistency. Compliance is not per se a value which many service providers use in their pharma branding. It is table stake and unlikely to drive competitive differentiation, unless you are a frontrunner in adapting new regulations.

Other examples of values in pharma are reliability, integrity, and well-being. Your pharma voice can therefore be one of expertise, intelligence, and caring, to name a few examples.

VALUE PROPOSITIONS

Successful value propositions focus on the outcomes and not on product features or processes. It is easy to fall into the trap of branding the functionalities of a product or service, especially if you are a product owner or an engineer. To find the value of your offerings, you can take the customer's view and think about how your solution helps them on an emotional level.



A winning communication will tap into our aspirations or fears and recognize what is missing in the customer's life.

When you brand your Clinical Trial Management System, you are not selling a system with dashboards of trial progress. You are helping the trial management team do a great job, deliver study results in time, and maybe even become recognized internally. You need to understand what's at stake for them and how you can help.

Likewise, when you brand an app to control automated insulin delivery via a pump, you are not selling a smart system. You are selling freedom and flexibility to people living with diabetes. Or, you are helping your pharma customer deliver quality of life to their customers/patients.

Creating a brand voice and value propositions is very much about language and insights into your customers. If you need inspiration for defining your value propositions, you can follow the Value Proposition Design Canvas developed by Strategyzer. This methodology is very well suited for workshops.



⁴The Branded Agency

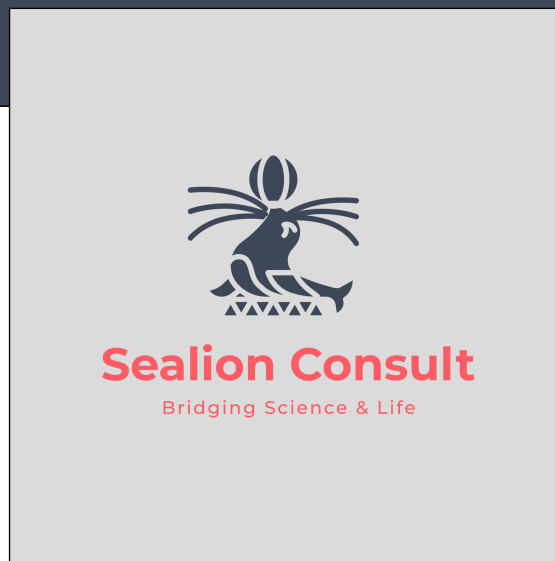
Seek expertise

If you are new to the pharma industry or looking to expand into new customer or industry segments within life sciences, it can be a good idea to seek help from an external expert.

At Sealion Consult, we can help shape your pharma strategy, provide the industry insights you need, and create marketing messaging and content that resonate with your target segments.

For more information on our services and contact details, visit our website

<https://www.sealionconsult.com>



About Sealion Consult

Sealion Consult is founded on a dual passion for communication and life sciences and an overarching mission to facilitate health outcomes and research through consultancy and communication that is relevant, reliable and real.

With deep domain expertise in life sciences, communication, and language, Sealion Consult can help professionals, service providers, freelancers, and patients obtain their business objectives or health outcomes.

The complex ecosystem, regulations, and innovation in the life sciences and healthcare industries trigger a vast amount of information across different stakeholders with diverse business, research, health, communication, and language needs. Sealion Consult has the subject matter expertise to bridge these stakeholder groups and content across scientific and non-scientific audiences.