MARKETING IN LIFE SCIENCES

Module Director: Yannick Drolet

February 17 – 19, 2015

at EPFL, Innovation Park, Building E, 1st Floor

Module Leaders

Yannick L. Drolet, Regional Business Manager at AstraZeneca and lecturer on several MBA programs at the University Laval, University Sherbrooke and UQAM, Canada.

Lisa A. Tétreault, Manager Strategic Capabilities, GlaxoSmithKline, Canada

Overview

This module uses a mixture of readings, lectures and discussions of real-life cases to provide integrating concepts and hands-on problem solving. Debates and the sharing of experience add to create a learning experience that is focused on shaping your thinking about marketing of life sciences rather than to provide “cook-book” solutions. This is based on the belief that you cannot develop a sound marketing strategy unless you first understand the problem or the situation. “Cook-book” solutions rarely work in practice because every situation is somehow unique and there are no universal marketing solutions. On the other hand, some basics and useful tools will be explored to reflect “real-life” approaches.

Goals and Learning Outcomes

The purpose of this module is to improve your expertise in evaluating and formulating strategic marketing decisions. The key challenge managers in the life sciences sector face today is to grow their business and make it more profitable in increasingly competitive and global markets that change at an ever faster pace. With so much happening at the same time and in different places, it is important that managers focus their attention to the key drivers of their markets. This module is therefore designed to help you:

- Improve your ability to understand customers, competitors, channels and the larger context in which they operate;
- Improve your command of marketing concepts and methods to design, implement and evaluate marketing strategies.

Evaluation

Participants will be evaluated on the basis of individual contribution in class (50%) and with a visual mapping homework (50%) based on the cases and the lectures, by Monday March 9, 9am.
### Marketing in Life Sciences

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<th>Place / Time</th>
<th>Who</th>
<th>Main Topics</th>
<th>Assignment / Class Activities</th>
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| Tues. 17.02.15 9:15-10:45 | Yannick Drolet | **Part 1: What Is Marketing?**  
Review of industry environment and challenges. Review of basic marketing principles and functions and their application to the life science industries. Industry competitor analysis and customer analysis. Role of marketing in building and sustaining a competitive advantage to create value for customers and shareholders. |                                                                             |
| 10:45-11:05 | Break           |                                                                             |                                                                             |
| 11:05-12:45 | **Group Work Becton-Dickinson case**  
**Case Discussion Becton-Dickinson case** | (see questions in Reading list)                                               |                                                                             |
| 12:45-14:15 | **Lunch (together at Cafétéria BC)** |                                                                             |                                                                             |
| 14:15-15:45 | Yannick Drolet | **Part 2: Innovation: Actual and New Markets**  
| 15:45-16:15 | Break           |                                                                             |                                                                             |
| 16:15-17:45 | **Group Work CTS case**  
**Case Discussion CTS case** | (see questions in Reading list)                                               |                                                                             |
# Marketing in Life Sciences

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| Wed. 18.02.15 09:15-10:45 | Yannick Drolet | **Part 3: Positioning: Value Creation**  
Segmentation, targeting, positioning. Developing and implementing a positioning strategy. From a strategic perspective to a tactical plan. Direct-to-consumer marketing. |  |
| 10:45-11:15 | Break |  |  |
| 11:15-12:45 | | Group Work Lipitor case  
Case Discussion Lipitor case | (see questions in Reading list) |
| 12:45-14:15 | **Lunch (together at Cafétéria BC)** |  |  |
| 14:15-15:45 | Yannick Drolet | **Part 4: Sales analysis, Forecasts and Pricing Considerations**  
Sales analysis techniques and dashboards. Annual marketing systems. Review of basic principles of pricing and forecasting. |  |
| 15:45-16:15 | Break |  |  |
| 16:15-17:45 | | Group Work The Medicines Company case  
Case Discussion The Medicines Company case | (see questions in Reading list) |
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<tr>
<td>Thu. 19.02.15</td>
<td>Yannick Drolet</td>
<td><strong>Part 5: Sales Forces involvement and CRM</strong></td>
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<td>09:15-10:45</td>
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<td>Actual gaps between Sales and Marketing. Sales techniques. Sales language.</td>
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<td>Sales force management and training. Customer Relationship Management (CRM)</td>
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<td>10:45-11:15</td>
<td>Break</td>
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<td>11:15-12:45</td>
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<tr>
<td>12:45-14:15</td>
<td>Lunch (together at Cafétéria BC)</td>
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<td>14:15-15:45</td>
<td>Lisa Tétreault</td>
<td><strong>Part 6: Putting it all together:</strong></td>
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<td>“Build a Strong Customer Experience with Real Commercial Competencies”</td>
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<td>15:45-16:15</td>
<td>Break</td>
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<td>16:15–17:45</td>
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<td><strong>Putting it all together: conclusion!</strong></td>
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<td>Synthesis through a visual mapping exercise</td>
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Bill of materials

CASES (provided before the module and to be read in advance)

1. Becton-Dickinson & Company: VACUTAINER Systems Division (condensed)  
   (F. Cespedes and V. K. Rangan, HBS case 9-592-037)
   
   Case study questions:
   1. Who is BD’s customer?
   2. Why has BD been successful?
   3. What is BD’s distribution system?
   4. How is it affected by the market changes?
   5. Which of APG’s 3 requests – 20% discount, private label, APG distributors – should B&D agree to in return for 90% of APG’s business?

2. CardioThoracic Systems (CTS)  
   (D. S. Gardner, HBS case 9-899-281)
   
   Case study questions:
   1. What do you think of the underlying innovation?
   2. How does it create (more) value for customers?
   3. How has CTS done so far? Why?
   4. What are the obstacles to adopting the CTS device? Of these, which is most critical?
   5. What should CTS do in the near term and how would you define success?

3. Lipitor  
   (Reinhard Angelmar, INSEAD, ECCH 506-210-1)
   
   Case study questions:
   1. What do you think of W-L’s decisions during the development of Lipitor?
   2. How good was Lipitor compared to existing statins?
   3. What challenges had W-L/Pfizer to overcome with the launch strategy for Lipitor?
   4. What explains Lipitor’s successful launch?
   5. How serious a threat are Zocor’s recent approvals (80mg tablet, 20mg starting dose, HDL-C indication)? What should Lipitor do? Should it advertise directly to patients?

4. The Medicines Company  
   (John Gourville, HBS case 9-502-006)
   
   Case study questions:
   1. How much value does Angiomax create?
   2. How much is it worth?
   3. Explain the “willingness-to-pay” (WTP) concept
   4. What is a hospital’s willingness-to-pay (WTP)?
   5. What are the drivers of WTP?
References and Suggested Readings

1. For Market Orientation:
2. For Industry & Competitive Analysis:
3. For Market Segmentation:
4. For Product Positioning:
5. For Healthcare Economics:
6. For B2B Marketing:
7. For Global Marketing:
8. For Portfolio Management:
9. For Sales Forces Management:

Bibliography

- Reinartz, Werner and V. Kumar (2005), Customer Relationship Management, Wiley.

All the information contained in this module description is subject to change without notice.