COURSE OBJECTIVES
This course covers marketing strategy for all players, from biotech startups to pharmaceutical firms and service providers. It has two objectives: Present methods and models used in the life sciences sector, and demonstrate how they are successfully used in current business situations. Key learnings include how to segment consumer and medical markets, brand a new product/service, create a marketing plan for a startup, decide on a pricing approach and integrate online/offline communications. Students customize the course to their needs with a term paper (instead of final exam) based on a consulting assignment for a company.

COURSE APPROACH
We will use a combination of current readings, interactive lectures, extensive class discussions, videos and senior executive guest speakers to address these key questions:

- How is the healthcare sector restructuring? Key success factors for alliances? Best ways to market a startup to partners/investors?
- How are consumers and their relationships with physicians changing in the US and abroad?
- How will personalized medicine change marketing models for biopharmas and hospitals?
- How can we balance pricing and access to drugs?
- How do we identify our customers and create value for them?
- Who are our competitors and how do we successfully create differentiation for ourselves?
- Who are our target segments, and how do we globally brand our products or services?
- How do we develop an effective online/offline communication strategy?

Text will be Prof. Simon’s book with Philip Kotler, Building Global Biobrands (Free Press)
- Other useful references:
  Eric Berkowitz, Essentials of Health Care Marketing (Aspen)
  Gil Bashe and Nancy Hicks, Branding Health Services (Aspen)

GUEST SPEAKERS
Senior executives include:
- Director, McKinsey
- SVP, Novartis Oncology
- VP, IMS Health
- Managing Director, McCann
- Managing Director, Price Waterhouse
- Chairman and CEO, AviBio
# COURSE OUTLINE

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<th>SESSION</th>
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<td>STRATEGY FRAMEWORK</td>
<td>Bohmer, Morrison</td>
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<td>Case: Cialis</td>
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<td>2.</td>
<td>INDUSTRY ANALYSIS</td>
<td>Stuart, Longman</td>
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<td>Case: Plavix</td>
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<td>3.</td>
<td>STARTUP STRATEGIES</td>
<td>Hamermesh, Wasden</td>
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<td>Case: Novazyme</td>
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<td>4.</td>
<td>MARKET &amp; CUSTOMER ASSESSMENT</td>
<td>Simon &amp; Kotler 4, 5</td>
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<td>Case: Humira</td>
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<td>COMPETITIVE ANALYSIS</td>
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<td>MERGERS &amp; ALLIANCES</td>
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<td>Case: Actelion</td>
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<td>SEGMENTATION &amp; POSITIONING</td>
<td>Simon (Prism)</td>
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<td>Case: Merck</td>
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<td>GLOBAL BRANDING</td>
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<td>Case: Gilead’s Truvada</td>
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<td>LIFECYCLE MANAGEMENT</td>
<td>Simon &amp; Kotler 6, 7</td>
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<td>Case: Bayer Aspirin</td>
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<td>10.</td>
<td>PRICING STRATEGY</td>
<td>Simon (Health Affairs)</td>
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<td>Case: Roche and Tamiflu</td>
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<td>COMMUNICATIONS STRATEGY</td>
<td>Diller (In Vivo)</td>
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<td>Case: Vioxx</td>
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<td>12.</td>
<td>TERM PROJECT PRESENTATIONS</td>
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COURSE REQUIREMENTS

ASSIGNED READINGS should be completed prior to each class: A significant part of the total grade will depend on the quality of the class participation.

TEAMS will be responsible for one oral CASE ANALYSIS. Group grades will be allocated to individuals after peer evaluation by group members.

A final term project MAY CONSIST OF ONE OF THREE OPTIONS, ALSO TO BE DONE IN TEAMS.

1. Choose a health care organization (either your own contact or a firm in your area).
   - Prepare an audit of one aspect of its marketing activities (such as: segmentation, branding, competitive strategies, communications) and develop recommendations. Work should be based both on direct (company interviews) and secondary research
   - Prepare a marketing plan for a startup company (include market, product and competitive analysis)
   - Focus on a specific problem (identified through company interviews) and develop an analysis and action plan. Problems may include: Entry of a new competitor, reassessment of products/services, development of communications strategy, etc.

2. Choose a research topic dealing with one aspect of marketing strategy such as:
   - Marketing startups (key success factors)
   - Global branding strategy
   - Competitive strategies
   - E-business: best practices

3. Conduct a written analysis of an optional management case.

GRADING CRITERIA

Final grades will be determined according to these criteria:

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<th>Category</th>
<th>Percentage</th>
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<tr>
<td>Class participation</td>
<td>25%</td>
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<tr>
<td>Oral case presentation (group work)</td>
<td>25%</td>
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<tr>
<td>Final Term project (group work)</td>
<td>50%</td>
</tr>
</tbody>
</table>
READINGS

COURSE INTRODUCTION
Rochard Bohmer, “Fixing Healthcare on the Front Lines”, HBR, April 2010

INDUSTRY ANALYSIS
Mary Stuart, “The Medical Device Industry Stays the Course”, In Vivo, Jan. 2013
Christopher Wasden, “The Changing Face of Medical Technology Innovation”, In Vivo, Sept. 2010

STARTUPS: KEY SUCCESS FACTORS
Richard Hamermesh, “Note on Business Model Analysis for the Entrepreneur”, HBS Note 9-802-048
Ernst & Young, “Outline For A Business Plan”

MARKET ASSESSMENT
Roger Longman, “Pharma’s Strategic Divide: Focus or Diversify”, In Vivo, Sept. 2008

COMPETITIVE ANALYSIS

MERGERS & ALLIANCES
Simon & Kotler, chapter 3

SEGMENTATION AND POSITIONING

GLOBAL BRANDING STRATEGY
Simon & Kotler, chapters 4, 5

LIFECYCLE MANAGEMENT
Simon & Kotler, chapters 6, 7

PRICING STRATEGY
P. Neumann & Francoise Simon, “Risk-Sharing Arrangements that Link Payment for Drugs To Outcomes Are Proving Hard To Implement”, Health Affairs, Dec. 2011
Simon & Kotler, chapters 8, 9

COMMUNICATIONS STRATEGY
“Pharma’s Social Media Experiments Tap Enthusiasm”, In Vivo, December 2011.

TECHNOLOGY BACKGROUND
CASE LIST

304-022-1 Eli Lilly’s Cialis: A Rising Star
Rajshekar, ICFAI, 2004

9-811-001 Plavix: Drugs In the Age of Personalized Medicine
Hamermesh, Harvard, 2010

9-603-048 A Father’s Love: Novazyme Pharmaceuticals
Bohmer, Harvard, 2002

Stanford OIT 44 Abbott Labs and Humira: Launching A Blockbuster Drug
Zenios & Chess, Stanford, 2005

9-611-065 Innovation and Growth at Actelion Ltd.
Pisano, Harvard, 2011

N.A. Gleevec: Success By Design At Novartis Oncology
Simon, Columbia, 2009-2013

N.A. Global Brand Building at Merck
Simon, Columbia, 2009-2013

N.A. Bayer Aspirin: A Lifecycle Well Managed
Simon & Quadt, Columbia, 2013

KEL 349 Roche and Tamiflu
Feddersen, Kellogg, 2007

KEL 289 Vioxx: Too Risky for Merck?
Petersen, Kellogg, 2007

OIT 94 Gilead: Launching Truvada in Europe
Chess, Stanford, 2009

ADDITIONAL CASE

9-510-031 Tengion: Bringing Regenerative Medicine to Life
Ofek, Harvard, 2010