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Prescription Drug Advertising: Problem or Solution?

Innovative Insights on Today's Policy Debates

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Critics of direct-to-consumer (DTC) advertising by pharmaceutical companies claim the ads increase health care costs, encourage drug overconsumption, strain doctor-patient relationships, misinform consumers and undermine the quality of patient care.

However, these concerns largely are misdirected. They focus on the evolving pharmaceutical marketplace when in fact the whole health care system is in transition. And direct-to-consumer pharmaceutical ads are not the *cause* of that transitional process; they're a *response* to it.

The Role of DTC Advertising. Sunday newspapers are filled with advertising flyers for department stores, office products, computers, cars, food and clothing. Yet no one says they can't afford food because all the grocery stores advertise. General Motors is the number one advertiser in the country, yet no one — and especially GM — claims its cars would be less expensive if the company quit advertising.

In virtually every sector of the economy, those with products or services to sell must get information to those who will buy. Advertising is the vehicle for getting that information to the intended customers. It tells prospective customers about product availability, quality and price — the information consumers need in order to make comparisons. Without advertising, consumers would spend lots of their own time trying to find out the same information ads bring to us every day.

Criticism #1: DTC Advertising Increases the Cost of Drugs. Drug companies are increasingly advertising directly to consumers. In just 10 years DTC advertising increased from \$55 million (1991) to an estimated \$1.8 billion in 2000. However, most of that growth came after 1997, when the Food and Drug Administration (FDA) loosened restrictions on DTC ads. Are those advertising costs driving up the cost of drugs?

The fact is there is little or no relationship between the cost of a product and the money spent on advertising. Over-the-counter drugs are heavily advertised, yet they remain inexpensive. And some of the prescription drugs that are virtually never advertised to consumers such as Gleevec, a new leukemia drug by Novartis, are much more expensive than the widely advertised drugs.

Criticism #2: Direct-to-Consumer Advertising Leads to Increased Drug Utilization. Does DTC advertising increase drug utilization? Probably. Surveys do indicate that patients ask their doctors about drugs they have seen advertised. But how can that be bad if people concerned they may have a medical condition are encouraged to see a doctor and possibly receive medical treatment?

It is also true that implementing a 911 emergency system increases fire and police department utilization — thus driving up a city's public spending on these services. But few people would criticize such efforts because they get help to the people who need it. That's what DTC advertising does.

Criticism #3: Giving Away Samples Lures Patients into Using Prescription Drugs. Brand-name drug companies give away about \$10 billion worth of free samples every year. Indeed, free samples comprise about half of the industry's total marketing budget. Time was — before the media and critics decided to portray every drug company action as driven by greed — that free samples were considered a good thing. Patients like it when doctors provide samples because it means they don't have to pay for those drugs themselves.

Samples also allow patients to try a drug to see if it is effective before they actually buy it. Most importantly, doctors sometimes use samples as a way to get needed

drugs to low-income patients who might not have the funds to pay for them.

If drug companies are forced — either through legislation or public pressure — to cut back or end free samples, it will be patients and low-income people who are hurt most.

Criticism #4: DTC Ads Encourage Patients to Demand that Doctors Give Them an Advertised Drug. The medical profession is legendary for producing doctors with big egos. The notion that patients are somehow bullying doctors into prescribing something the doctor doesn't think the patient should have is almost ludicrous. That is not the average doctor, nor is it the average patient.

For example, according to a 1999 FDA survey of patients who asked their doctor about an advertised drug:

- 81 percent of the respondents thought their doctor welcomed the question;
- 79 percent discussed the advertised drug with their doctor;
- 71 percent of the respondents said their physician acted like asking such questions was a normal part of the process:
- And only 4 percent said their physician appeared angry or upset by the question.

And according to *Prevention Magazine*, while 72 percent of patients who talked to their doctor about an advertised drug asked the doctor for more information, only 26 percent actually asked for the drug.

No doubt some patients demand their doctor give them an advertised drug, but eliminating DTC advertising won't cure human arrogance and bad manners. Health care information is widely available on the Internet and in published materials — as it should be! Killing the ads won't kill the quest for information. Indeed, TV, radio and print ads are subject to more regulations and controls than what goes up on the Internet. It would be a huge irony if DTC critics, in hopes of saving both patients and doctors from drug ads, drove people from the more regulated outlets for advertising to the Internet where misinformation abounds.

Criticism #5: Prescription Drug Ads Are Deceptive, Misleading and Irresponsible.

It is the nature of advertising to promote a product, and there are truth-in-advertising laws that prohibit false and misleading information. The fact is that prescription drug ads are among the most benign — and ethical — on television. They promote their product rather than criticize their competitors' products. And almost all of them end by stating something akin to, "See your

doctor to see if our product is right for you." The doctor still plays the key role.

Now compare the drug companies' approach with some of the other ads on television. Automakers do their best to get us to spend \$20,000 or \$30,000 or more to buy a new car or truck — whether we need one or not! Yet no one questions the integrity of automobile advertising.

If implementing freebies to lure in consumers is questionable behavior, what can we say about car manufacturers who promise zero interest and \$2,500 cash back? And none of those ads end by saying: "Check with your financial planner to see if a Chevy Tahoe is right for you." Yet economists applaud if the automakers are successful in inducing us to spend that money on something we don't really need.

Conclusion. Prescription drug ads aren't the problem; they're the solution. They inform consumers and patients about products that may help a medical condition, and most do so ethically. They have helped to destigmatize certain medical conditions such as mental illness and erectile dysfunction that often go undiscussed and untreated. They get patients in to see doctors who may discover an even more serious underlying cause of the medical condition. And they are helping to revitalize the doctor-patient relationship.

We don't need less DTC advertising; we need more.

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