



Branding Science  
Group

# The secret to building the next blockbuster



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If you ask anyone in the pharmaceutical industry to name the most successful drugs in recent years, brands like Keytruda, Humira and Sovaldi may roll off the tongue. This paper sets out Branding Science's perspective on how to leverage what these brands got right. In short, we want to help you build the next Keytruda, Humira or Sovaldi.

If done right, there is one activity that can transform a standard drug in its class into a blockbuster. This activity is often misunderstood, rarely utilised to its full potential, and often viewed as something of a 'tick box' exercise. What is this secret, with the potential to transform your brand's success? The answer is world-class, long-term strategic brand planning.

### Merck's investment in big bets

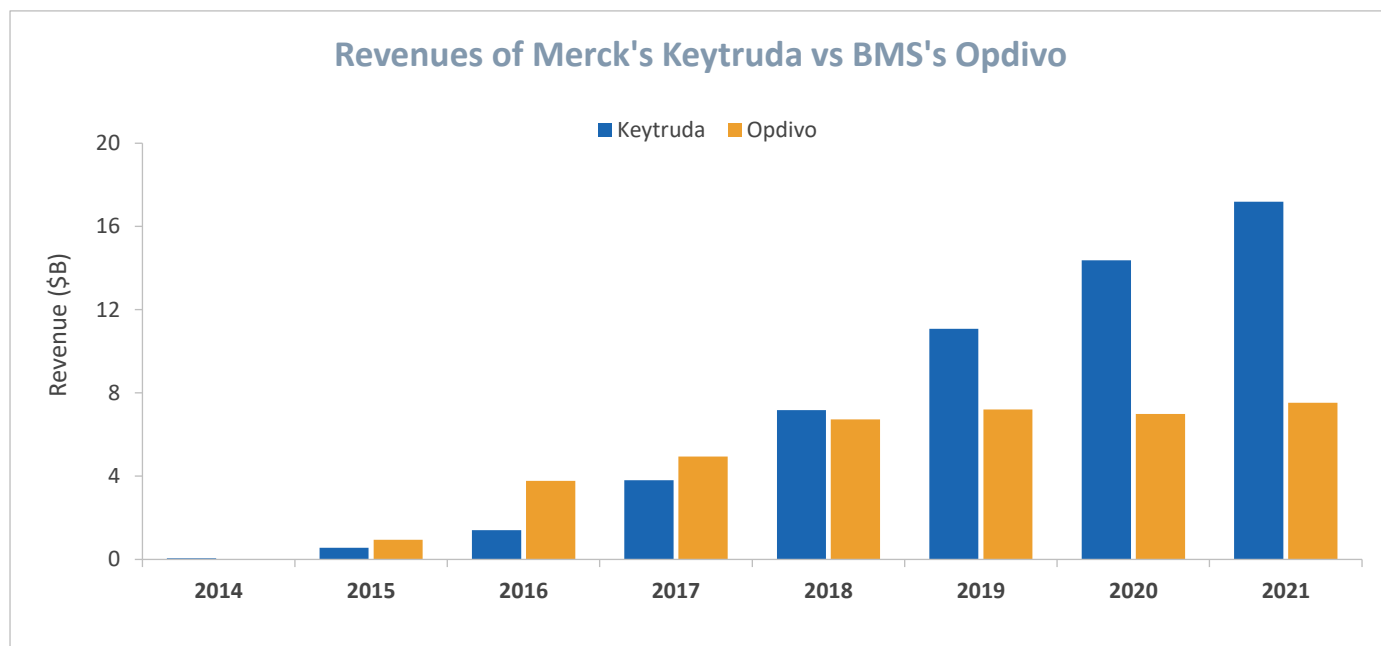
Keytruda (Merck & Co's humanised monoclonal antibody) launched into a market saturated with immuno-oncology therapies and cheaper alternatives. Opdivo, Yervoy, Arzerra and Rituxan, amongst others, were vying for market share. As drugs, Keytruda and Opdivo were both found to be effective, with multiple global guidelines recommending each product, but Keytruda has outcompeted Opdivo time and again. What sets Keytruda apart from its competitors really boils down to Merck's long-term brand strategy. At one point, Merck believed their Keytruda programme to be 4–5-years behind BMS's Opdivo programme, but Merck made the kind of big bets that should feature in every company's long-term, strategic brand plan. This paved the way for Keytruda to usurp Opdivo and become the leading brand in the space.

Some of these big bets included:

- Pursuing the use of a companion diagnostic for lung cancer patients to ensure use in the 30% of patients most likely to be responders
- Focusing on refractory melanoma patients who had failed all current treatments in a single-arm trial
- Undertaking the largest phase 1 trial ever done in oncology at the time
- Conducting more than 500 clinical trials by 2017
- Taking advantage of the breakthrough designation pathway from the FDA

This list could go beyond these five big bets. Each came about through effective brand planning. Merck outlined the future vision, the route to get there and the opportunities and challenges along the way. From this, the Keytruda team devised strategies for success, with tactics and activities to ensure they were committed to.

What allowed these strategies to be successfully completed? The answer is in the foundations of the long-term strategic brand plan. Merck was clear about Keytruda's target population when developing the drug for lung cancer and refractory melanoma. Merck was also clear that Opdivo represented their must-beat competitor. Equally, Merck understood the emotional leverage points for HCPs, patients, and payers, and took advantage of these over BMS. Leveraging all this critical groundwork, Merck built a heavily insight-based environmental assessment for Keytruda. This allowed them to make the strategic choices and big bets that ultimately made it inevitable that Keytruda would emerge as the stand-out leader in the immuno-oncology market.



Source: Merck and BMS Annual Reports

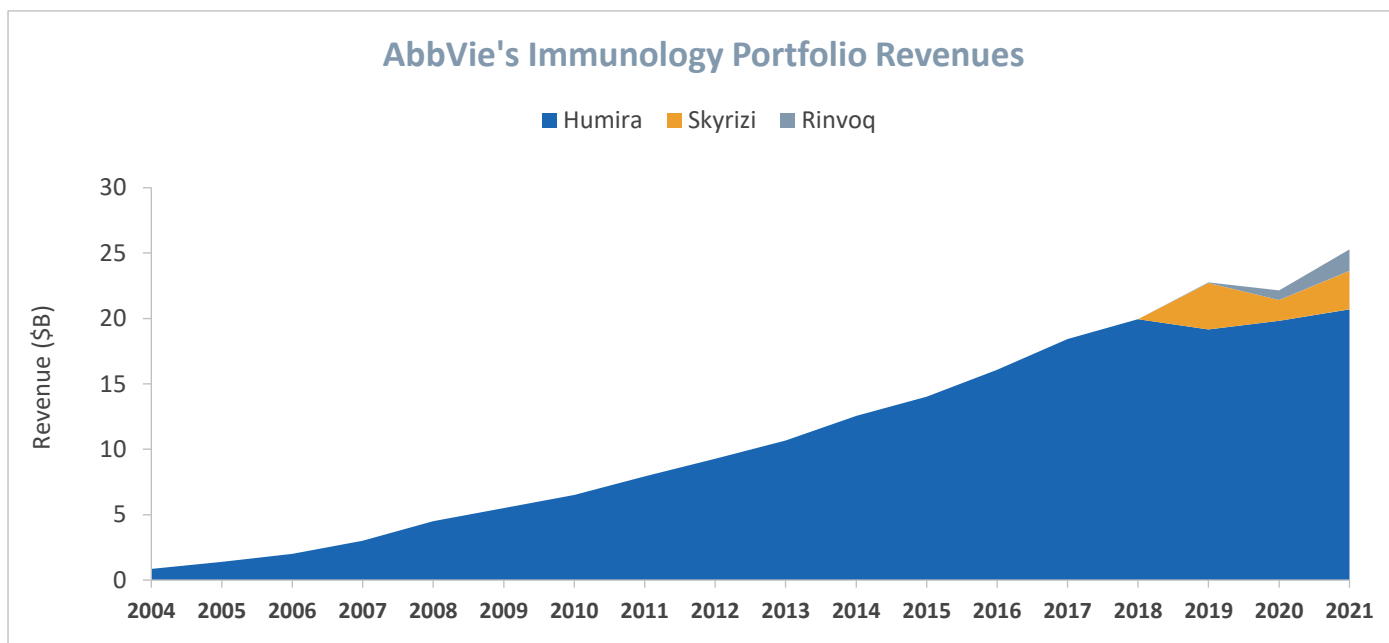
## AbbVie's ownership of immunology

Today, Humira's manufacturer, AbbVie, is known as an immunology behemoth, but it could have easily ended differently. Humira was third to market in rheumatoid arthritis (RA) after Enbrel and Remicade. It had similar efficacy to both competitors and was offered at a similar cost; however, this is where the similarities end. Humira became the world's best-selling drug in 2012, and only lost the title in 2021 during the COVID-19 pandemic. The brand continues to generate significant revenues for AbbVie, with >\$20bn in the 2021 annual report.

When Abbott (now AbbVie following a divestment in 2012) launched Humira in RA in 2002, they had already made a key strategic decision. Having identified that Humira had the potential to have multiple indications, Abbott quickly implemented a clinical trials programme for five further indications (psoriasis, ankylosing spondylitis, psoriatic arthritis, adolescent RA, and Crohn's disease). Further trials and indications

have followed. In addition to committing to clinical trials, Abbott invested in simplifying Humira's administration method with the purpose of minimising disruption for patients. These were long-term, strategic decisions underpinned by the long-term strategic brand plan.

AbbVie's success with its immunology portfolio does not end with Humira. AbbVie knew that Humira would eventually lose exclusivity, so the company planned for this early by implementing a long-term strategy of switching patients to Rinvoq and Skyrizi. This effective portfolio planning avoided internal competition and made the teams more focused on external threats. The management of transferring patients from Humira was among the best seen in recent years. There was a high potential for crumbling sales, with Humira being replaced with increased sales of AbbVie's competitors, but AbbVie's effective brand, lifecycle, and portfolio planning avoided this.



Source: AbbVie/Abbott Laboratories Annual Reports

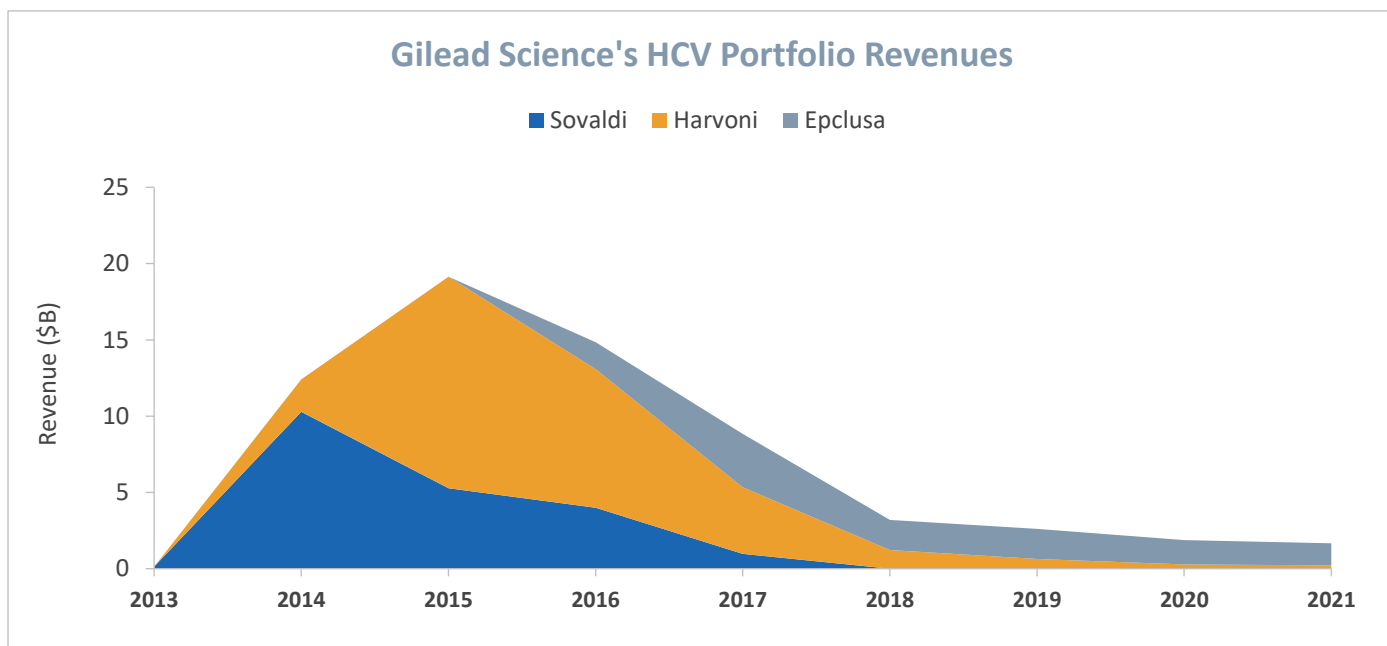
## Gilead's transformation of the HCV market

As recently as the early 2010s, Gilead Science's market capitalisation was below \$30 billion. The company was largely viewed as a speciality biotech rather than being seen as a comparator to the likes of Amgen, or potentially talked about in the same breath as large pharma. By 2016, though, Gilead had generated successive annual revenues of >\$30 billion, placing it in the top 10 annual revenues of pharma companies globally. The main driver of these revenues, Gilead's HCV franchise, was responsible for generating almost \$20 billion in 2015 alone.

Gilead's \$11 billion investment in Sovaldi highlights the key long-term strategic decisions that were committed to at the highest level. Even when Sovaldi was launching, the franchise had already planned its next launch, combining Sovaldi's active ingredient, sofosbuvir, with an NS5A inhibitor called ledipasvir. This combination, Harvoni, together with Sovaldi produced \$19 billion in sales in 2015. Harvoni's benefits over Sovaldi were well formed. Principally, it was effective when used alone, while Sovaldi had to be used with an interferon. As such, Harvoni would expand the treatable patient population outside of those with the most advanced HCV to more mild and moderate

patients. Having recognised combinations as an effective way of expanding the patient population, Gilead paired Sovaldi with velpatasvir to launch Epclusa and effectively treat all 6 HCV genotypes.

Pre-launch of Sovaldi, Gilead had analysed future competitors such as AbbVie's Mavyret and made key decisions within the strategic long-term brand plan to get ahead. Mavyret, effective across all genotypes, would go on to offer an 8-week treatment at a lower price on launch. Gilead got ahead of AbbVie by following a 'fast-to-many patients' strategy at the portfolio and individual level. It launched each product quickly and focused on eradicating HCV in the patients for which it was effective. Each of Sovaldi, Harvoni and Epclusa extended the use of the active ingredient, sofosbuvir, and effectively eradicated HCV by the time AbbVie launched Mavyret. The decisions made in Gilead's long-term strategic brand plans were pivotal to the drug prices achieved and the extended amount of time that the HCV franchise generated maximal revenues.



Source: Gilead Science's Annual Reports

## Is all this a new problem for pharma?

The worrying thing is that long-term strategic brand planning has been demonstrated to work for years, yet many companies still fail to give it the time and attention it deserves. When Lipitor (Pfizer) came to market, it arrived fourth after pravastatin, fluvastatin and simvastatin. It would have been easy for Lipitor to drown in this crowded market, but a clear brand plan that brought functions and individuals behind a common aim and leveraged superior efficacy data, catapulted the product to the top of the statin class.

Cozaar provides another, less recent example. Next to other anti-hypertensives, it was far from the most potent. Yet despite this, Cozaar managed to become the ninth most prescribed medication in the US due to outstanding long-term strategic brand planning from Merck. Cozaar along with Lipitor provide examples of how the same companies and teams have been leveraging long-term strategic brand planning to move their products to the top of their class and doing so despite not being first to market or even the most effective.

## Brand planning is a game changer

Strategic brand plans are critical to align an organisation around a clear, long-term strategy and enable a brand to make the big bets needed to achieve its ambition. The best strategic long-term brand plans also include clear goals and tactics, that enable each strategic function, all the way down to individual employees, to understand their role in achieving the overall strategy.

The brand planning teams behind the blockbusters Keytruda, Humira and Sovaldi all understood this. Each aligned their organisation around the big bets that ultimately allowed them to become the best brand in the space and paved the way for future indications and further launches.

We would love to help you shape your long-term strategic brand planning. Why not drop us a line at [Ed.Corbett@Branding-Science.com](mailto:Ed.Corbett@Branding-Science.com) to discuss your vision for your brand and how we can help.



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**Sources:** AbbVie/Abbott, Merck & Co, and Gilead Sciences Financial Statements/Annual Reports. All information is non-proprietary and public domain.