



# Zimmer



# OUT OF THE BOX

The formerly sleepy business of marketing devices and diagnostics is getting much savvier amid technological innovations, empowered patients and an ever-more complicated healthcare system, reports **Matthew Arnold**

Zimmer's Ayaz Malik, director, global marketing communications

The cartoon ladies looked as though they might have leapt from the pages of *The New Yorker*, but here they were, in *Ladies' Home Journal*, hawking the world's first orthopedic knee built just for women.

Advertising a knee? The 2007 campaign, for Zimmer's Gender Knee, sent shockwaves through sleepy Warsaw, IN, orthopedic capital of the world. The makers of orthopedic devices had seldom advertised their products to consumers before (though Stryker was first, with ads for its Triathlon knee). Why should they have? Every surgeon had his or her brand and that's what the patient got. The cost of switching was prohibitively high on all sides.

And here was Zimmer, running the sort of clever, attention-grabbing consumer campaign you might expect of an OTC PPI or antihistamine. "We had a differentiated product, a differentiated message and an excellent consumer story," says Ayaz Malik, director, global marketing communications at Zimmer.

In markets where the campaign, by AbelsonTaylor, piloted, sales volume shot up as surgeons switched and patients asked for the device by name. Zimmer's competitors in the category soon launched consumer campaigns for their hip prostheses, most featuring celebs — Mary Lou Retton for Biomet's, Jimmy Connors for Wright Medical Technologies', Jack Nicklaus for Stryker's.

In many sectors of the device world, from surgical implants to imaging machines, switches are no simple thing — they're cost-intensive and labor intensive for physician and manufacturer alike. Surgeries are so complicated, often involving instruments numbering in the hundreds of pieces, that device company reps often sit in on procedures to offer technical instruction. Orthopedic surgeons must be trained in the installation of a particular device, a process typically requiring that they take a few days off and travel to attend a company-run program like the Zimmer Institute, which combines classroom training with a cadaver school (the cost of operating which is, of course, substantial). So too must their scrub teams — scrub nurses, surgical assistants. And their hospital or practice must bear the cost of storing and cleaning all those instruments.

"It's hard for an ad to overcome that surgical training and the surgeon's relationship with that rep," says Tim Lewis, director of interactive and relationship management strategy at AbelsonTaylor. "It's a different challenge than what exists in the pharma world. The ad has to work a lot harder because the dynamics are so entrenched."

A similar dynamic is at work in marketing medical imaging systems.

"When somebody purchases a piece of imaging equipment, that's a decision they're going to have to live with for 10 years, and it's a cost of \$100,000 to well over a million dollars, so you really have to get people's interest," says Tom Treusdell, director of product marketing, radiographic and fluoroscopy at



A colorful consumer ad created by AbelsonTaylor for Zimmer orthopedic hips featuring the firm's Kinectiv Technology touted its customizability (above); his and hers knees from Zimmer (below)

Siemens Medical Systems. "Most of our marketing is just trying to grasp that initial interest. We know they're not going to buy off that and we still have to go through a complete sales cycle which takes months to years."

Treusdell's team found an innovative (and MM&M Gold Award-winning) way to pique interest in Siemens' Ysio digital radiography system, donating one of the machines to the Children's Health Fund (CHF) for an online auction and inviting hospitals to bid on it, with every bidder getting a coupon for \$10,000 off the machines. The auction generated enormous buzz and press coverage, raised \$285,000 for CHF and gave the company a trove of sales leads from bidder registrations.

### "Tribal knowledge" encourages ad clutter

In 2008, Zimmer followed up its "Gender Knee" effort with smart professional advertising that won a slew of awards by challenging the sameness of the space.

"In the device space, I think the biggest challenge we have is differentiation of product technologies and how we tell that story," says Zimmer's Malik. "In orthopedics, you see a lot of what I call metal type ads, with metal products and a scientific claim. You see 10 of those in a row and how will you stand out?"

Ads for the firm's LPS-Flex Mobile Bearing Knee mocked SUV spots with the tagline "All knee drive."

To sell the customizability of the M/L Taper Hip with Kinectiv Technology, AbelsonTaylor adorned the devices in suits and ties, with the tagline "Dressed for success." Creative for the company's proprietary Tra-



becular Metal depicted bone and metal extending hands to one another under the words “Give bone a hold.”

“A lot of the device industry has used what I would call tribal knowledge, or institutional knowledge,” says Malik. “Over 25 years, we’ve formed beliefs and opinions about what we think the surgeon wants to hear from us. We actually went out and reviewed our concepts and ideas with surgeons and did informal research with reps to understand what’s compelling, what’s credible, what’s memorable, and that really borrows from the pharma model. We’re not inventing anything. We’re just applying classic principles of advertising and marketing that frankly our industry didn’t have to do in the past, but communications challenges are changing rapidly.”

Zimmer was, at the time, like all its peers apart from Stryker, operating under an 18-month deferred prosecution agreement (part of the settlement of an anti-kickback case against five orthopedics firms prosecuted by then-US Attorney Chris Christie of New Jersey). The company had pulled back sharply on promotion as a result, and part of the import of the efforts was to trumpet their corporate brand and motivate the sales force by generating excitement about their products. For device companies, corporate advertising makes a lot more sense than it does for pharmas, where the focus is on building brands for individual products. Covidien, the \$10 billion company formerly known as Tyco Healthcare, was spun off from its scandalized parent as an independent public company in 2007 and is now cementing its new corporate identity.

“By spinning ourselves off, we started off as a new entity,” says Cynthia Ward, VP corporate marketing at Covidien. “That gives us a chance to brand a company built by acquisition.”

The company, says Ward, had cobbled together a host of strong surgical device brands, “but there was nothing to tie them together.” Global packaging launches in February, and corporate advertising, with the tagline “Positive results for life,” is being refreshed. “It’s important that the clinician understands what’s the value offering of the company,” says Ward.



For GE Monitoring Solutions and other device makers that sell to hospitals, IT is increasingly in the driver’s seat and marketing is the linchpin of a vital feedback loop keeping manufacturers on top of customer needs. The company has built features into its systems anticipating the need for more data mobility



Medtronic launched its “Innovating for life” journal ad campaign in January. “Because a lot of our physicians only know us in the specialty they’re in, one of the goals of this campaign is to broaden their awareness and help them understand the breadth and depth of our portfolio,” says Tammy Johnson, senior director and head of global brand at Medtronic.

In the device world, marketing can also facilitate a vital feedback loop between manufacturers and hospitals that allows for leaps in design.

“In the last five years, the role of marketing has really increased in importance, and driving that is that our customers are facing more restraints, so understanding what they need has become much more important,” says Derek Wagner, CMO, GE Monitoring Solutions, which has built features into its systems anticipating the need for data mobility, backward compatibility and fast training to help

### Top 10 device & diagnostics areas, by 2009 US sales, and biggest companies within each

Rank	Therapeutic area	US sales dollars (billions)	% change vs. prior year	Top 3 companies by market share*
1	Cardiac Rhythm Management Devices	\$6.8	5%	Boston Scientific, Medtronic, St. Jude Medical
2	Large-Joint Reconstructive Implants	\$6.7	5%	Depuy, Stryker, Zimmer
3	Diagnostic Imaging Systems	\$5.3	1%	GE Healthcare, Philips Healthcare, Siemens Healthcare
4	Spinal Implants	\$4.4	6%	DePuy Spine, Medtronic, Synthes Spine
5	Interventional Cardiology Devices	\$3.2	5%	Boston Scientific, Cordis, Medtronic
6	Laparoscopic Devices	\$2.7	2%	Allergan, Covidien, Ethicon Endo-Surgery
7	Trauma Devices	\$2.7	9%	Smith & Nephew, Stryker, Synthes
8	Infusion Pumps	\$2.5	10%	Cardinal Health, Hospira, Medtronic
9	Peripheral Vascular Devices	\$2.3	8%	Cook Medical, Cordis, W.L. Gore
10	Urology Devices	\$2.2	12%	American Medical Systems, Boston Scientific, C. R. Bard

\*Firms listed in alphabetical order  
Source: Millennium Research Group

**Top 10 device & diagnostics firms by media spend, 2009**

Rank	Parent Company	Subsidiary	US media spend dollars (thousands)*	Media spend % change vs. prior year
1	Allergan Inc.	Allergan Inc.	\$140,225.00	46%
2	General Electric Co.	GE Healthcare	\$22,818.57	-31%
3	Johnson & Johnson	Ethicon Endo-Surgery Inc.	\$16,392.10	6%
4	Johnson & Johnson	DePuy Orthopaedics Inc.	\$3,307.30	-86%
5	WL Gore & Assoc. Inc.	WL Gore & Assoc. Inc.	\$3,144.34	-32%
6	Medtronic Inc.	Medtronic Inc.	\$2,534.13	129%
7	Covidien Plc.	Covidien Plc.	\$2,212.49	21%
8	Stryker Corp.	Stryker Corp.	\$547.37	-61%
9	Boston Scientific Corp.	Boston Scientific Corp.	\$402.41	-6%
10	Cardinal Health Inc.	Cardinal Health Inc.	\$159.92	-70%

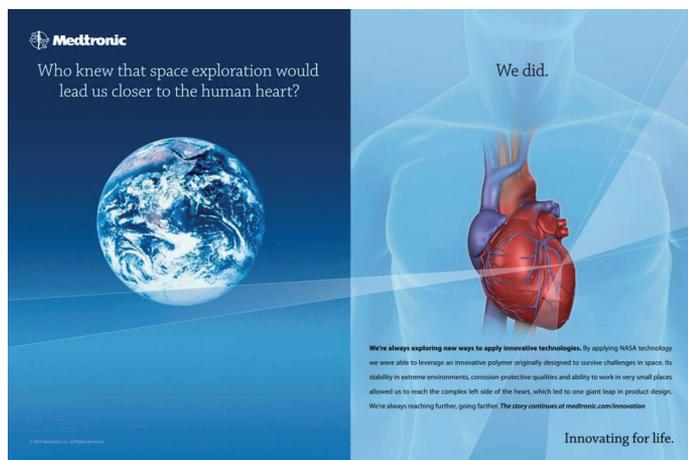
\*DTC/professional combined  
Source: The Nielsen Company

accommodate nursing shortages, based on customer input. “We also have more stakeholders,” says Wagner, noting that chief information officers and IT departments are now calling the shots on the technology his division provides.

**DTC: still a novelty for devices, diagnostics**

Until recently, device and diagnostics makers didn’t advertise to consumers at all. Some early efforts—like Myriad Genetics’ BRAC Analysis ads or Cordis’ “Life Wide Open” campaign for its Cypher stent, both from 2007—have drawn flak. *The New England Journal of Medicine* responded to the Cypher ads with a May 22, 2008, editorial titled “DTCA for PTCA—Crossing the Line in Consumer Health Education?”

Cypher, the *NEJM* noted, was “being promoted to millions of people who are ill-equipped to make judgments about the many clinically relevant but subtle and complex therapeutic issues that even specialists continue to debate.”



**Medtronic’s “Innovating for life” journal ad campaign, launched in January, sought to broaden awareness of the device company**

“It seems almost unimaginable that a patient would challenge an interventional cardiologist’s judgment about the use of a particular stent or that a cardiologist would accede to a patient’s request for a particular stent on the basis of the information gleaned from a television ad,” scoffed the authors. “Indeed, the notion that television viewers, inspired by such an ad, would go to their physicians and request not only a stent but a specific brand and model of stent is frightening, if not utterly absurd.”

True, perhaps, for stents, and certainly for MRI machines, but not hips and knees or a number of other categories.

“I work in infusion pumps,” says Baxter’s Nelson Patterson, senior director, marketing for global infusion systems, “and patients don’t go in and say, ‘I want X,’ but I could see a day when people might say [to the surgeon], ‘I chose you because of X.’” As consumers are asked to bear more of the cost of their treatment, says Patterson, they’re showing up to doctor appointments having done their homework.

The editorial’s authors need not have worried too much about the Cypher TV campaign, which wound down shortly thereafter, amidst category-wide worries about the safety and efficacy of drug-eluting stents. Stent makers pulled back as a group and refocused on their outreach to professionals amid a chorus of “What were they thinking?” pieces in the medical trades and blogs.

For other categories, however, advertising to consumers might make more sense.

“Personalized medicine will rapidly change outreach for those manufacturers,” says Steve Coldiron, principal and creative director at Bay Area ad agency Jocoto, which has several diagnostics clients considering DTC campaigns. “That’s become a big topic and will be more so thanks to the Human Genome Project. I think diagnostics companies will get patients walking in and saying ‘I want that test.’ That’s the missing link.”

Devices are another story, says Coldiron, “because you’re selling a product that the end user is, in most cases, completely unaware of. It’s obviously more expensive than advertising to a clinician audience, which can be reached much more efficiently, so there needs to be a clear path.” ■