

Emerging from Covid-19:

# What next for the pharmaceutical industry?

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# Introduction

As the world continues to tackle the Covid-19 pandemic, now is the perfect time to assess how people across the world perceive the role and reputation of the pharmaceutical industry. Is public awareness of – and trust in – big pharma companies changing as the pandemic evolves?

How is the relationship between pharmaceutical companies and governments evolving and what does this mean for the future of the industry? How can pharmaceutical companies improve their communication with stakeholders in the medical industry, government and the public at large?

To gain a comprehensive view, Grayling surveyed 3,000 members of the public in six countries across the world and canvassed the opinions of 14 senior decision-makers within pharmaceutical and life science companies and healthcare charities.

What emerges is a world in which the perception of pharma companies has largely been enhanced, especially in countries where Covid vaccine rollouts have been most successful. Are we seeing a politicisation of pharma and what does this mean for the industry and its relationship with government over the long term?

Our conversations with industry experts also provide valuable insights into the experience of those involved in the development of solutions, as well as those whose sectors struggled to get their message across while the world was understandably focusing on Covid-19.

We observe an industry determined to emerge from the pandemic with more brand purpose, with hope that the closer public and private collaborations developed at pace during Covid can be sustained moving forward.

We also witness an acknowledgment that government budgets are likely to come under renewed pressure once the virus is under control.

It is worth noting that Grayling conducted its survey and expert interviews before the debate surfaced around whether or not patent protections should be lifted temporarily to increase the accessibility of vaccines in developing countries.

This is just one of a number of important issues that the industry will need to confront if it's genuine in its desire to build on the goodwill that has built up over the last 18 months.



**Kathryn Ager**  
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## Key themes

- Introducing the Grayling Global Pharma Survey
- How the pharmaceutical sector is perceived
- The communications challenge for pharmaceutical companies
- Other diseases have been side-lined during Covid-19
- The threat of 'vaccine nationalism'
- The future relationship between pharma and government
- Finding a 'higher purpose'
- Conclusion: Where does the pharmaceutical sector go from here?
- About Grayling
- About the research



# Introducing the Grayling Global Pharma Survey

The pharmaceutical sector will emerge from the Covid-19 pandemic better understood and more highly regarded than before the global crisis, Grayling's research finds.

Nearly two-thirds (**63%**) of the 3,000 people surveyed in the UK, US, France, Germany, China and Russia say that the pharmaceutical industry has a positive impact on society.

Nearly half (**49%**) of people say they view the pharmaceutical industry in general more positively than before the pandemic.

This was particularly evident in markets such as China, where nearly nine in ten (**89%**) people felt more positive towards the industry, while just a third (**33%**) of French people reported the same.

Just **14%** worldwide say they feel the pharma sector has a negative impact on society. Men are five percent more likely than women to say they think pharma has a 'very positive' impact (**18% v 13%**), while women are narrowly more likely to say pharma has a negative effect (**16% v 11%**).

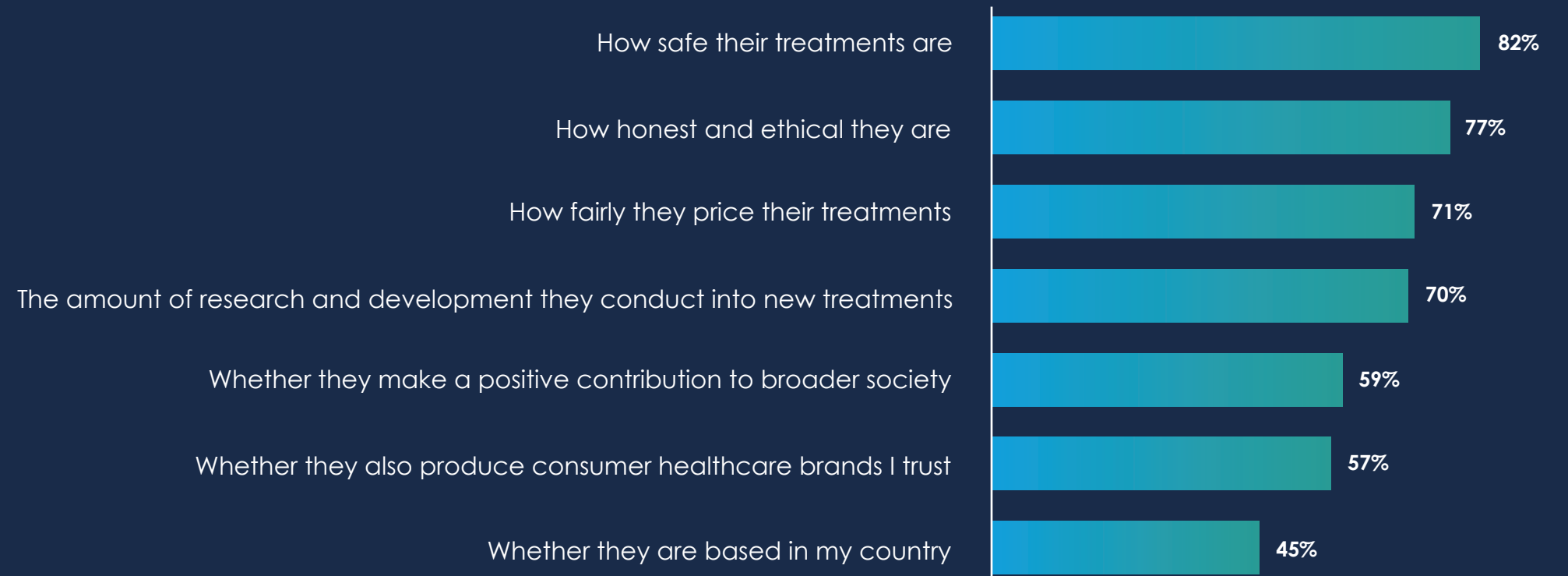
When people were asked how they heard news of pharmaceutical companies, TV emerged as the most dominant channel (**67%**). This figure does however vary widely from country to country, from a high of **76%** in Russia to a low of **49%** in China.

When asked about their knowledge of the pharmaceutical sector, the most-savvy publics appear to be in the US and China, while men

in the UK (**72%**) are the most likely to report that they know 'nothing' about pharma.

Perhaps unsurprisingly, people aged over 55 (**77%**) are more likely to hear about pharma companies via TV than younger demographics (**57%** of 18-34-year-olds). Meanwhile, those aged 18-34 are more likely to learn about a pharmaceutical company via social media or word of mouth.

## Factors influencing global views of pharmaceutical companies in general



# How the pharmaceutical sector is perceived

In all the six markets that Grayling surveyed, people are more likely than not to believe that the pharmaceutical industry has a positive impact on society. This positive affirmation ranges from **90%** in China to just over half (**51%**) in Germany.

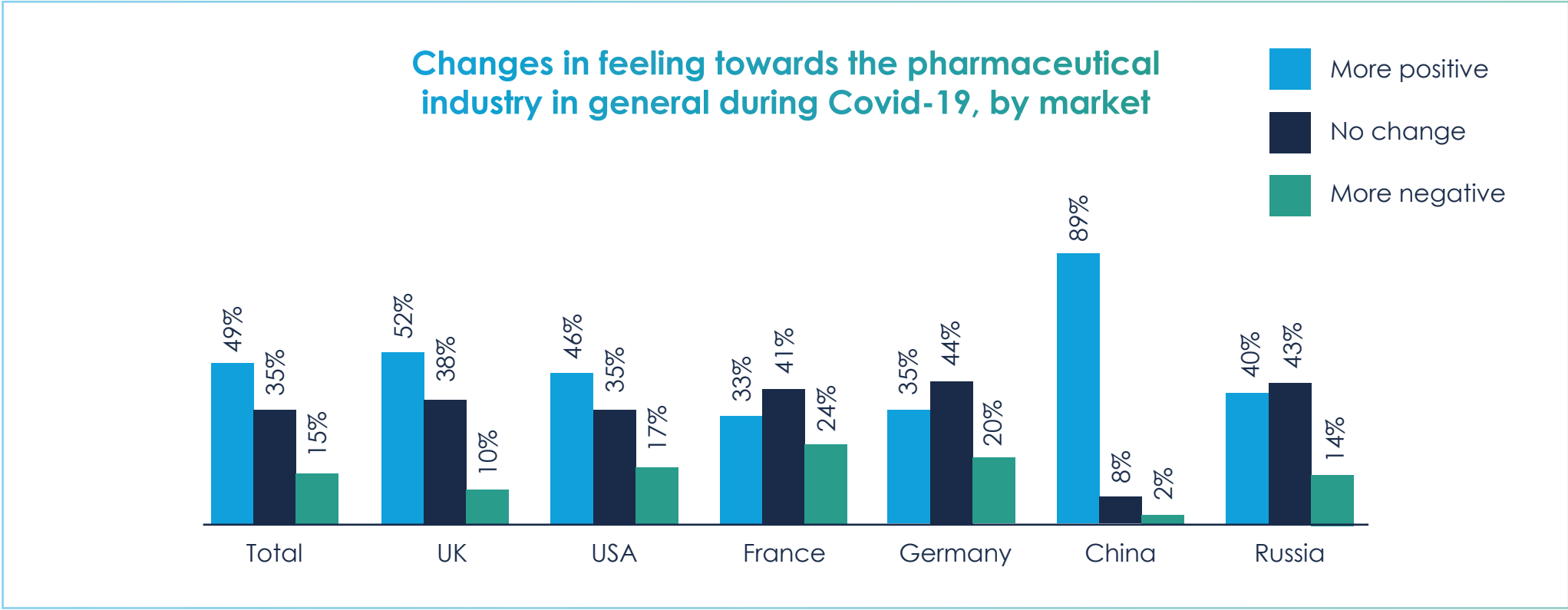
The pharma industry also faces something of a perception challenge in France, where nearly a quarter (**24%**) of people feel more negatively towards the sector than before the crisis, which compares to just **two percent** of Chinese and

**10%** of Brits. At the time of the survey, France was behind many other European Union (EU) countries in administering its vaccine rollout.<sup>1</sup>

One of the common themes to emerge from the interviews that Grayling conducted with healthcare industry experts was that almost all of them agreed that pharma's reputation has improved during the pandemic. There has been a greater understanding of what the industry does. The challenge is how to make this goodwill last.

**“It is a rare moment that pharma is perceived well. And what’s unique is we are using company names for the vaccines, not the medical names. We need to tell the story of the pipeline and how academic research creates the pipeline for new medicines and treatments. It is academic knowledge that creates the pipeline. It is charities and early investors that create these medicines.”**

- Charity representative



# The communications challenge for pharmaceutical companies

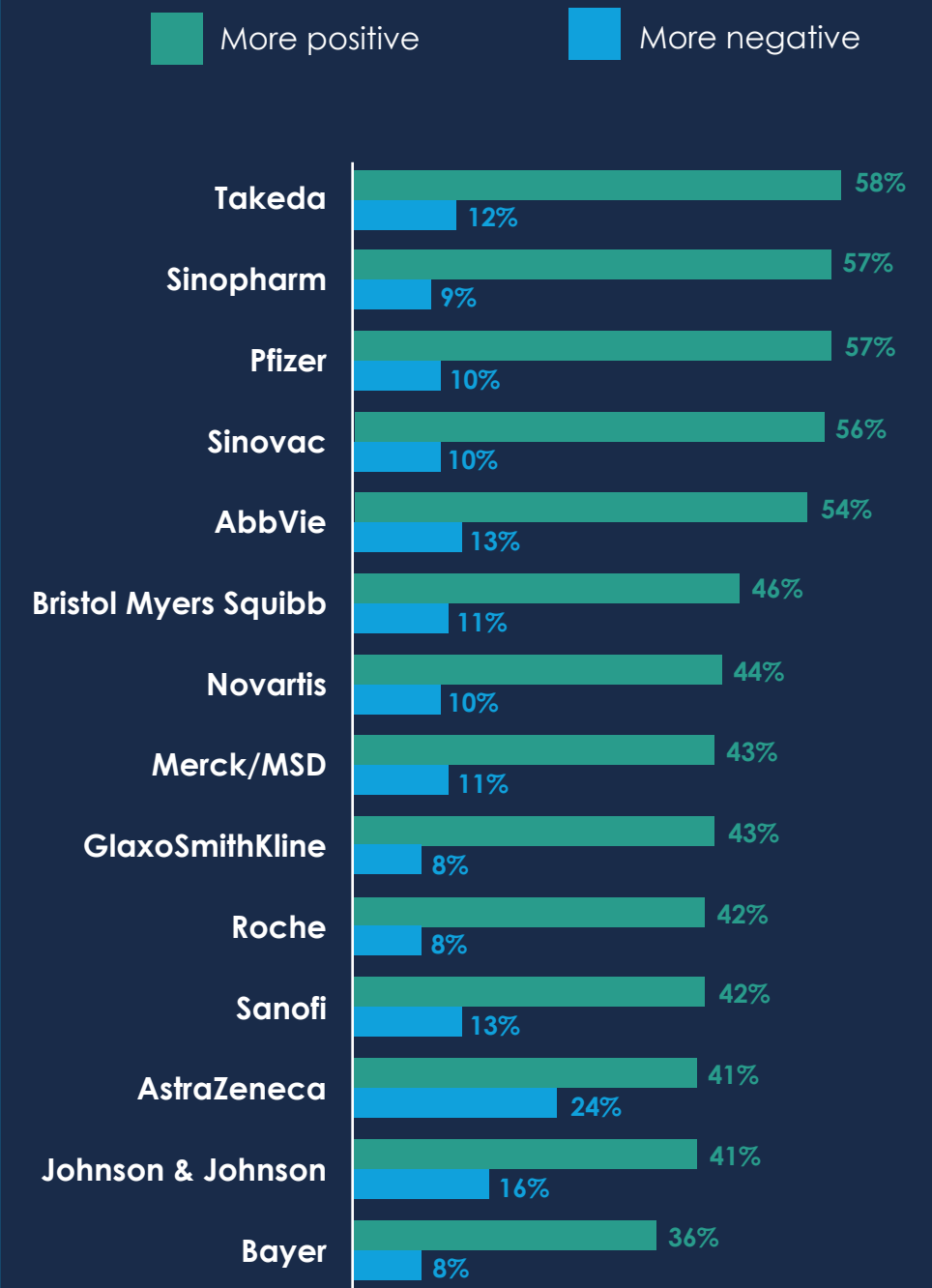
While the global response to Covid-19 has provided an opportunity for some pharmaceutical companies, it has also turned the spotlight on them and how they communicate. Some have seen their brand awareness rise significantly – especially the leading vaccine producers. One in five (**21%**) people say they have heard of AstraZeneca because of the pandemic, **15%** say Pfizer and more than one in ten say they now know Johnson & Johnson (**11%**) and Sanofi (**10%**).

However, while Pfizer enjoys a healthy approval rating (**60% positive**) among those who have heard of the brand, AstraZeneca is experiencing more negative perceptions, possibly due to its legal battles with the EU<sup>2</sup>, question marks over the accuracy of its data in the US<sup>3</sup> and reported links to rare blood clots<sup>4</sup>.

More than a third (**36%**) of people said what they heard about AstraZeneca was negative, compared to Johnson & Johnson (**21%**) and Sanofi (**15%**). Negativity towards the Anglo-Swedish firm AstraZeneca was highest in France (**46%**) and Germany (**42%**) but lowest in the US (**9%**).



### Changes in perception of pharmaceutical companies from Covid-19 coverage



AstraZeneca was also the brand people recall hearing most about (**91%**), narrowly ahead of Pfizer (**89%**) and Johnson & Johnson (**88%**). Pfizer enjoyed the most positive perception (**60%**) of any pharma brand, with just **12%** perceiving it negatively. The challenge for pharma companies is that if they face a reputation issue in one area of their portfolio, it could damage their brand in other categories, even ones where they enjoy strong respect.

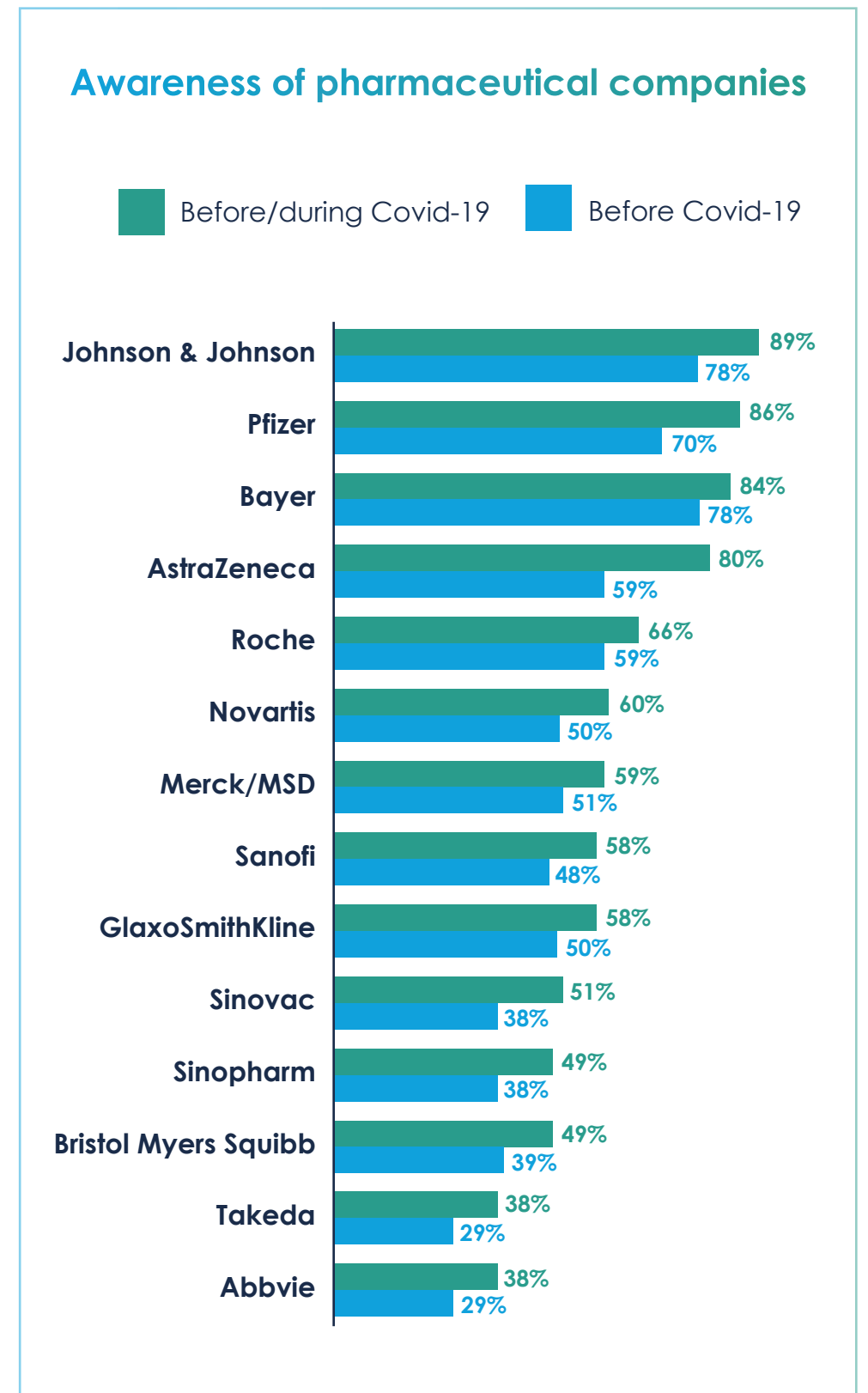
Where people have been learning about pharmaceutical companies during the pandemic is also revealing. Nearly six in ten (**59%**) people in France have heard journalists and commentators talking about pharmaceutical companies, while just **38%** say they have seen a political leader discussing pharma firms in France. In the UK, however, the same percentage of the public (**41%**) has learned about pharma companies from the media and political leaders. Government communication was key in the US, where half the population (**50%**) said they learned about pharma companies from government spokespeople. China (**28%**) and Russia (**30%**) were the places where people were least likely to learn about pharma companies from their political leaders.

How has the pandemic impacted how pharma firms should communicate? According to a

corporate communications lead at a major international pharmaceutical company, pharma firms need to be more transparent and honest about making a profit but also have open conversations about how their business model fits with the non-profit business model to achieve the same aims. *“Treatments don’t exist without vision and investment,”* he says. *“The [pharma] industry needs to stop shying away from difficult conversations. Also, the industry talks about ‘patients’ – we are all patients. We need to talk about people instead.”*

The head of Policy and Public Affairs at a leading UK health charity echoed this viewpoint, arguing that the health sector needs to engage with patient groups and invite them to be involved from the outset of medicine creation. *“Bear in mind that patient groups are an expert voice, connected, experienced and can provide lots of insight in direction with the appropriate framework,”* she adds.

The CEO of a major cancer charity emphasises the need for the pharma industry to communicate authentically. She argues that the general public can *“see through window dressing and marketing”* and that, as purpose becomes a real focus for many organisations, pharmaceutical companies *“need to think about what they’re doing and get the balance right around commerciality.”*





## Other diseases have been side-lined during Covid-19

Since early 2020, the healthcare agenda worldwide has been dominated by Covid-19, often at the expense of other diseases, treatments and patient needs. Important procedures were postponed across the world to free up hospital beds.

*“Treatment of patients with chronic illness – such as diabetes or heart disease - was frequently overlooked. But it should not be so,”* one communications official at the Russian arm of a multinational explains. *“Thus, the market, authorities, patient organisations, should show that healthcare is about people. We need to reach a general understanding that the system should be sustainable despite any health crises.”*

The communications lead at a major cancer charity explains that it had been a struggle to get any traction in the media with healthcare stories as the health pages are dominated by Covid-19. Another said that cancer patients have been forgotten, with treatments delayed and trials stopped, potentially putting lives at risk.

Others commented that the public is more knowledgeable now around medicine trials and the regulation process than ever before. Even pharma brands who have not been directly involved in the development of Covid vaccines have had to demonstrate leadership at this time.

**“We need to reach a general understanding that the system should be sustainable despite any health crises.”**

Covid-19 has increased the relevance of health and innovation in our daily lives and, as a result, the public's appetite for this information. Meanwhile, prolonged disruptions to healthcare during the pandemic have had severe implications for other disease areas. As the virus is suppressed more opportunities will open up for non-Covid-related stories in the media. This will provide a crucial opportunity for organisations to communicate effectively about solutions to address these other emerging health crises.



# The threat of 'vaccine nationalism'

It has been impossible to extrapolate the pandemic from global political events. In Europe, disputes over vaccine supplies have led the EU to sue AstraZeneca, arguing the pharma company breached its contract over supply rates<sup>5</sup>.

The pandemic overlapped with changing trading relationships with the UK, which has led to tension on both sides. Important elections - whether in the US, UK or the Netherlands - have been influenced by the perceived handling of the crisis by Government.

*"Vaccine nationalism is inevitable. It is a political imperative to vaccinate your own population,"* one former British minister says, which he warns can lead to bad and irrational behaviour. *"The [UK] Government is not alone in this. The attitude of the EU has not been great. Pharma will need to be smart and responsible in their deals with governments,"* he continues. *"While the UK funded the [AstraZeneca] vaccine, there could be a case for UK prioritisation, but pitting contracts and countries against each other is not great."*

Grayling found that people in the UK were far less attached to the idea that a vaccine had to be produced in their country to be trustworthy than other countries. Just under half **(49%)** said it was important that a vaccine was developed in their country for them to trust it, compared to China **(88%)**, Germany **(68%)** and France **(65%)**.

Meanwhile, in Russia, one Russian-based government affairs expert at a multinational pharma company warns that the main threat to healthcare in relation to Covid-19 is politicisation. *"There are a lot of politically-coloured talks about vaccines, foreign pharma companies etc.,"* he warns. *"Russia is not the only one in this respect – for example, India banned the import of substances for political reasons. This approach is risky and should be avoided."*

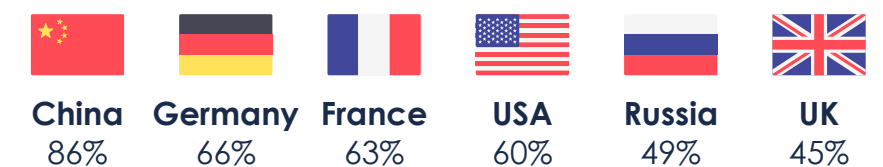
A government affairs and comms lead at another Russian subsidiary of an international pharma explained that Russian pharma companies are *"always welcome and supported"* while it is harder for foreign companies to break into the market without direct investments.



In the US, the White House's response to the pandemic became an election issue. One biopharma expert commented: *"There's more confusion than ever. I struggle to know what to trust, it's so politicised. There's a need for credible scientific information."*

The expert highlighted the rise of misinformation during the pandemic and the friction between those willing to wear masks and those who do not.

## Would you be more or less likely to trust a Covid-19 vaccine if it was invented by a company based in your country?



## The future relationship between pharma and government

If healthcare has become politicised, how does this impact the future relationship between the pharmaceutical industry and governments worldwide?

*“Pharma has enjoyed unprecedented access to Prime Ministers and Presidents, with unprecedented opportunities to engage governments,”* comments a government affairs specialist at a multinational pharmaceutical firm. *“But is the goodwill still there? The EU Pharma Strategy would imply it is not, with its focus on fair pricing and inequality of access. The concerns around AstraZeneca have accelerated the issues around equitable access and distribution of vaccines and pharma products.”*

One EU government affairs lead at a multinational firm believes the pharma industry should be worried about upcoming legislation. *“Just about every pharma company had a record year last year in terms of profits. Soon, government will want to cut healthcare spending as part of their recovery plans and discussions will begin again about medicine pricing and access.”*

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A corporate communications lead at a major pharmaceutical company believes that the speed of decision-making and collaboration between pharma and government has shifted massively, especially during 2020. The question now is how to make sure this *“game-changing”* relationship continues in a non-pandemic setting. *“How can we maintain the same sense of urgency, decision-making and collaboration? Trust has been very positive,”* he adds. *“Pharma needs to show it’s a key element at the heart of healthcare solutions.”*

Several interviewees agree that more international cooperation is required going forward.



# Finding pharma a higher purpose

Across the world, the pandemic has accelerated progress towards a more compassionate business model, where businesses are finding a purpose beyond purely prioritising profits. This 'New Collectivism' engrains greater environmental, social and governance (ESG) responsibility into company culture. Some for-profit companies that commit to fulfilling rigorous social and environmental performance can qualify for 'B-Corp' (Benefit Corporation) certification.

One former UK politician believes that, looking to the future, there is a case for moral capitalism in the pharmaceutical sector. *"The B-Corp concept is great. The time has come for companies to have a social purpose and reform in corporate governance is overdue,"* he says. *"Governments need a trusted partner that they know will behave ethically."*

According to a policy and public affairs specialist at a leading UK health charity, the pharma sector has an opportunity to take advantage of public interest to educate it on the medicine development process. *"People didn't pay much attention before*

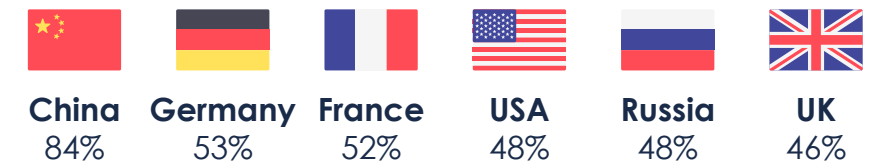
*[the pandemic], but it's an opportunity to communicate the ethos of what it means to be a R&D-based pharma company,"* she says.

This platform will enable the industry to elicit more varied opinions on the big questions that people have around pharma, such as pricing and access, she adds. The theme of inequality of distribution was one that a few of our interviewees raised.

This is reflected in the findings of our global survey. More than half (**55%**) said they would be more likely to trust a Covid-19 vaccine if the manufacturer had promised not to seek to make a profit from it. Women (**58%**) are more likely than men (**52%**) to trust a not-for-profit vaccine.

Also, just over half (**51%**) would trust a vaccine more if the company provided doses to poorer countries at a reduced price. However, neither of these trust drivers were as strong as the vaccine being developed in their country (**64%**).

Would you be more likely to trust a Covid-19 vaccine if the company had promised it wouldn't make a profit on the vaccine?



## Conclusion: Where does the pharmaceutical sector go from here?

There is a general consensus among the people Grayling interviewed that the pharmaceutical sector is enjoying goodwill among the public for now but must work hard to build on it going forward.

*“We’ve never been good at telling stories, we never move beyond pricing,”* one government affairs specialist at a multinational pharmaceutical says. *“We’re too risk averse, so flown under the radar. This is an opportunity to be front and centre on discussions around public health and talk about the value of medicines.”*

For the communications lead at a leading health charity, the story that *“science has saved the world”* is a compelling narrative. *“What’s been done for Covid could be done for other diseases, especially the power of vaccines,”* she argues. *“We can see that in terms of cancer, and we are investing in some vaccine programmes. The role of pharma is really important.”*

She adds that the value of international cooperation has been demonstrated and

can be translated into other areas. However, she warns that the perception of pharma is different in Western countries compared to developing countries, so the narrative must be culturally nuanced.

One agency-side public affairs expert voiced concern that the pharma sector was so successful in developing and distributing vaccines that it will set high expectations for future global health emergencies. The key, she adds, is to demonstrate that work is always ongoing.

A number of experts that Grayling interviewed raised the steps the health sector has taken to digitalise during lockdown. The pandemic has proven that remote healthcare with direct patient engagement via digital channels is possible.

There is now a greater public appetite for services such as consultations via videoconferencing. One interviewee told us that his company had run some successful sessions on invitation-only audio platform, Clubhouse.

**“There is an opportunity to leverage the goodwill and the fact that both the public and government stakeholders are – slightly – more knowledgeable about the R&D process. The ‘bad pharma’ reputation has always been about high prices. Sometimes it’s justified, but it’s often because the media and/or the public doesn’t understand the complexities of R&D and different healthcare systems.”**

- Healthcare industry representative

A public affairs director at a global medicines company says that the bounce in reputation for pharma creates opportunities, especially around supply chain resilience and the potential to grow the biotech sector.

**“The sector needs to take advantage of this bounce,”** he concludes.

**“The question is how?”**

# About Grayling Health

Grayling offers full-service communications for healthcare organisations across the world. Our teams help build, grow, sustain and repair health and health-related brands and organisations worldwide. Whether it's supporting clients to navigate a challenging regulatory environment or creating award-winning campaigns that drive awareness, provoke thought or change behaviours, the work we do, inspired by our clients, creates advantage.

Grayling has worked with some of the leading names in pharmaceuticals and healthcare, including public health bodies and health service providers across the world. We have also worked with regulators, research bodies, trade unions, government departments, health boards and regulators, research bodies, trade unions, health boards and Patient Advocacy Groups (PAGs).

## We are grateful to the following organisations for their support with this report:

AbbVie, Anthony Nolan, Bayer, Bristol Myers Squibb, Chiesi, Edwards Lifesciences, Gilead, Janssen, Novo Nordisk, Ovarian Cancer Action, Roche, Servier, Worldwide Cancer Research.

## About the research

The research of 3,000 adults from six countries was carried out by Opinium Research. Five hundred people each from UK, USA, France, Germany, China and Russia were canvassed between 28 April – 10 May 2021.

To find out more or discuss how Grayling could help you with your organisation's communications, please contact [globalhealth@grayling.com](mailto:globalhealth@grayling.com).



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