



Public Opinion and the Evolving State

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4. Report: British attitudes to the pharmaceutical industry

By Oliver Rowe

The reputation of the pharmaceutical industry in Britain is generally positive among the public, owing to the economic benefits it provides. But it suffers from a trust deficit. There is scepticism of the industry's motives and concern that its goals are misaligned with the public need. Low familiarity of the industry is matched by low awareness of recent sector issues, including fines, job cuts and ongoing investigations.

What matters more in the public view is a perceived focus on profit and the possible implications of this, such as overcharging the National Health Service (NHS), collusion with doctors and a lack of transparency in drug trials. Accordingly, as the industry moves from being a supplier to a partner, any perceived mismatch of commercial agendas and the public interest could present new reputational risks.

“Clearly a challenging time for the industry and politicians. What can we realistically expect in the future from society's investments and expenditures on healthcare industries generally? A political hot potato, but re-assessing those expectations (in the form of a national debate, perhaps?) seems timely to me.”

- Male, aged 59, South West England

Familiarity versus favourability

The pharmaceutical industry is not a sector that the British public claims to know much about. Just 9% of the public say they are familiar with it, which is comparable with the oil and gas or soft drink sectors. Despite a low level of familiarity, it enjoys relatively good levels of favourability, with 34% saying they feel positive about the industry, on a par with the travel and leisure sectors.

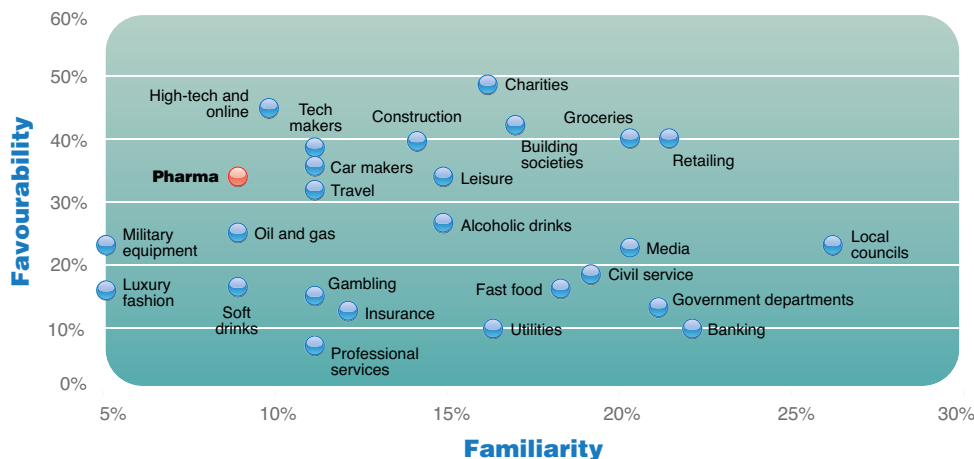
“It saves lives and is an extremely profitable industry which brings in billions to the UK economy.”

- Male, aged 50, West Midlands

“Our pharmaceutical industry leads the world.”

- Male, aged 59, East of England

Figure 1. Familiarity vs Favourability: Industry comparison.



Source: YouGov, representative sample of 4,034 GB adults, August 2013.

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The low levels of familiarity of the industry overall clearly impact the awareness of individual pharmaceutical companies. Although 86% correctly identify that GSK works in the industry, only 53% can do the same for Pfizer and just 40% for AstraZeneca.

There is also low awareness of many of the largest reputation-impacting developments in the industry. When prompted, 20% claim to have heard of GSK's recent issues in China and just 14% are aware of the company's €3 billion fine in the United States in 2012. 14% say they recall Pfizer shutting its facility in Sandwich, Kent, while 11% claim to remember that AstraZeneca announced the closure of its Alderley Park site. More positive stories about links with NGOs or low drug prices show even more limited recall. Open ended comments in the survey point instead to continuing concern for many about the lack of transparency and openness on drug trial results.

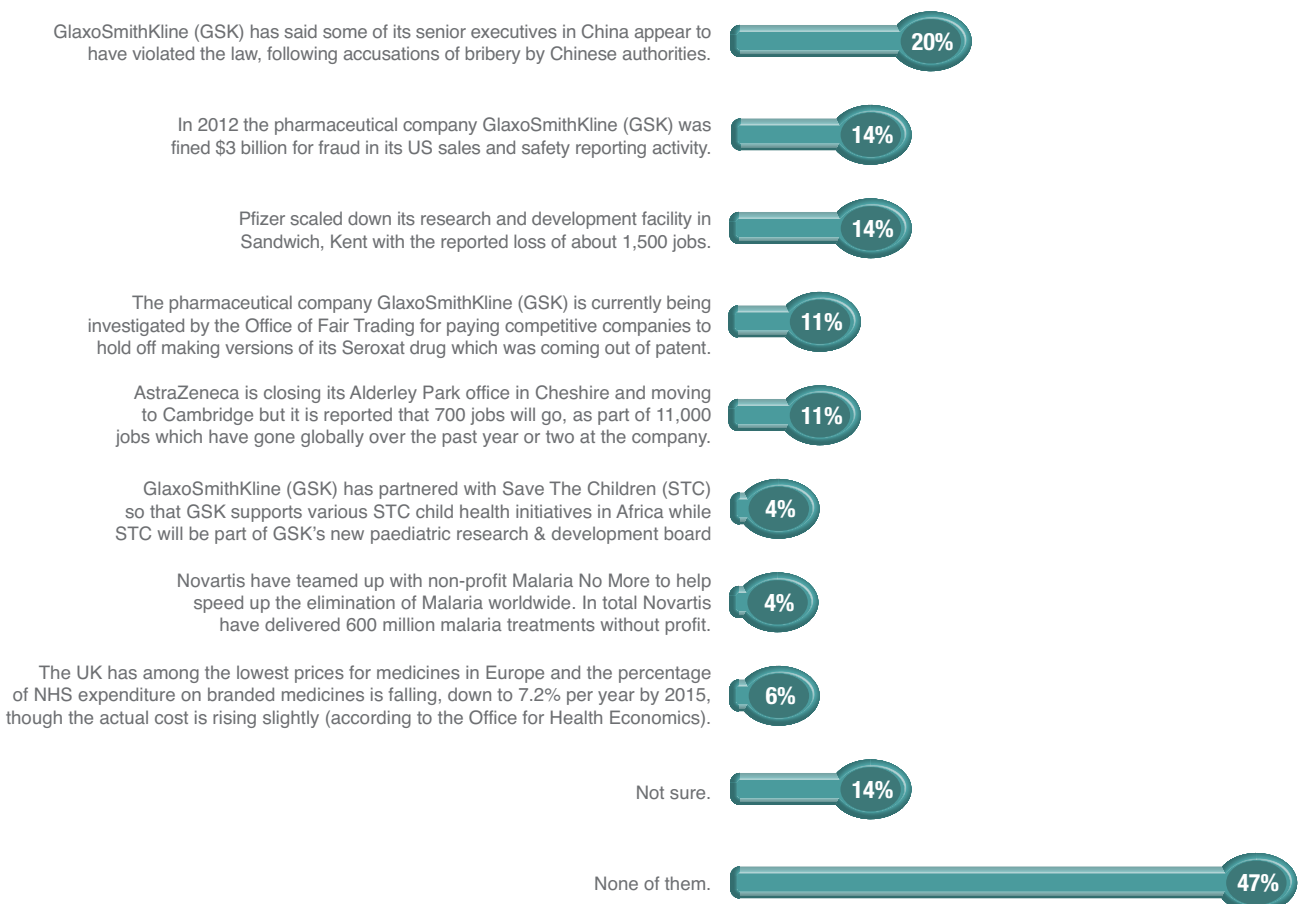
"I don't believe that pharmaceutical companies are honest and [they] cover up unfavourable research."

- Male, aged 64, South of England

"I am shocked at the lack of publicity given to the dodgy practices of some members of our pharmaceutical industry. There should be more public awareness of how the industry works."

- Female, aged 75, East of England

Figure 2. Public awareness of developments among UK pharma companies.



Source: YouGov, representative sample of 4,034 GB adults, August 2013.

The pharmaceutical industry is also viewed as an important part of the UK economy.

It ranks sixth out of 25 sectors in terms of perceived importance to the success of overall UK economic growth, behind Construction, Banking, Retail, Oil and Gas, and Hi-tech, and just ahead of Car Manufacturing. This view is supported by 54% of the public agreeing that "we must protect the UK's pharmaceutical industry as it is an important source of taxes, jobs and export revenue." Just 6% of respondents disagreed with this statement. Agreement rises to 62% amongst members of our Opinion Formers panel.

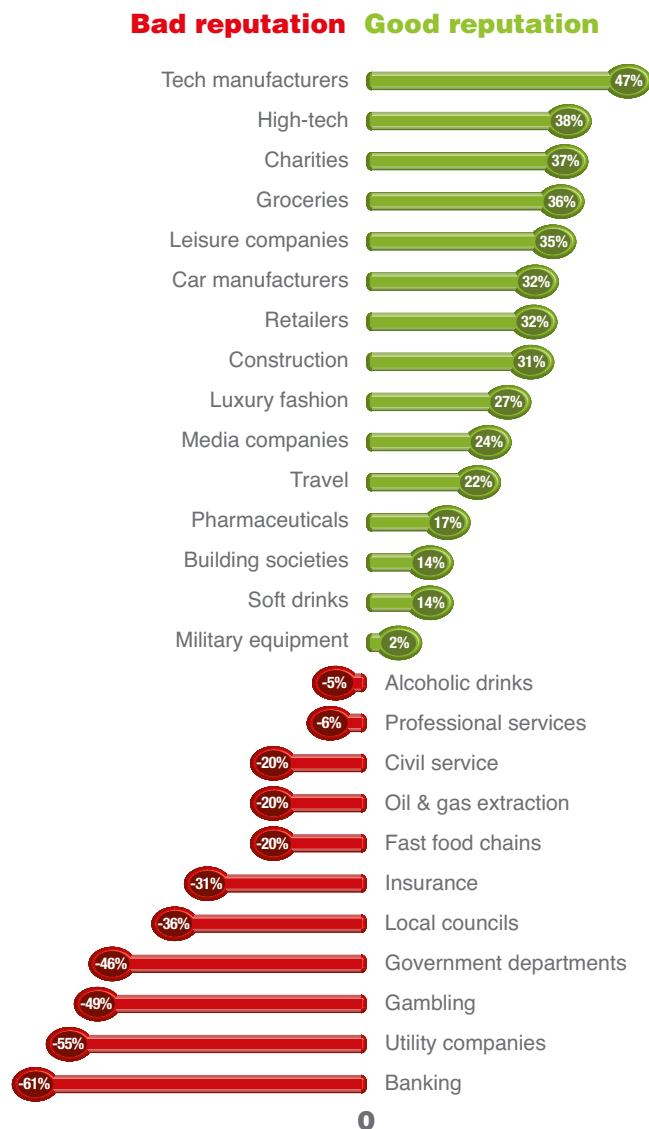
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“This industry is critical to the economic prosperity of the UK and must be actively supported by government.”

- Male, aged 59, London

On balance, the pharmaceutical industry has a good reputation though its perception is not overwhelmingly positive. It has a net positive reputation of 17%, putting it in the middle of the pack of our 25 industries, but way ahead of banking on -61% and behind tech manufacturers on +47%. It is an industry whose reputation is relatively static. 13% think it is ‘getting worse’, 11% say ‘getting better’ and the rest either see no change or just ‘don’t know’. Despite this, as we see in the next section, the industry is viewed as innovative.

Figure 3. Net reputation of industries % good minus % bad.



Source: YouGov, representative sample of 4,034 GB adults, August 2013.

A third (33%) of respondents say they would be proud to work in the sector, while only 5% claim they would be embarrassed. This compares unfavourably to Hi-tech in first place with 41% saying ‘proud’, but favourably to Gambling in last with 47% saying embarrassed.

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Socially useful but maybe not trustworthy

Improving people’s lives and being socially useful is where the industry scores well, with half the public associating ‘social usefulness’ with the sector. This matches the level of association it receives for being ‘globally successful’ (50%), and for being innovative (48%). 43% go on to endorse the industry as producing ‘high quality products and services’.

Despite these scores, fewer than 1 in 5 say the industry is ‘trustworthy’ or has ‘high ethical and moral standards’, though it should be noted that these scores are higher than most industries achieve for these measures— and well ahead of banking, which currently suffers from significant public mistrust. It may be that the low score for ‘cares what people like me think of it’ provides an insight into why the public does not trust even an industry like pharmaceuticals, which it tends to think ‘improves people’s lives and is socially useful’ – that the industry is not outward looking, or seen to communicate its values or ethics with the public.

Certainly the fact that only 32% of the public feel able to agree they are “confident the UK’s pharmaceutical companies comply with government regulations”, while 19% disagree and 48% are on the fence, hints at the uneasiness surrounding the industry.

“I know little about [pharmaceutical companies], and have to admit a certain suspicion as to [their] motives and actions.”

- Female, aged 69, East Midlands

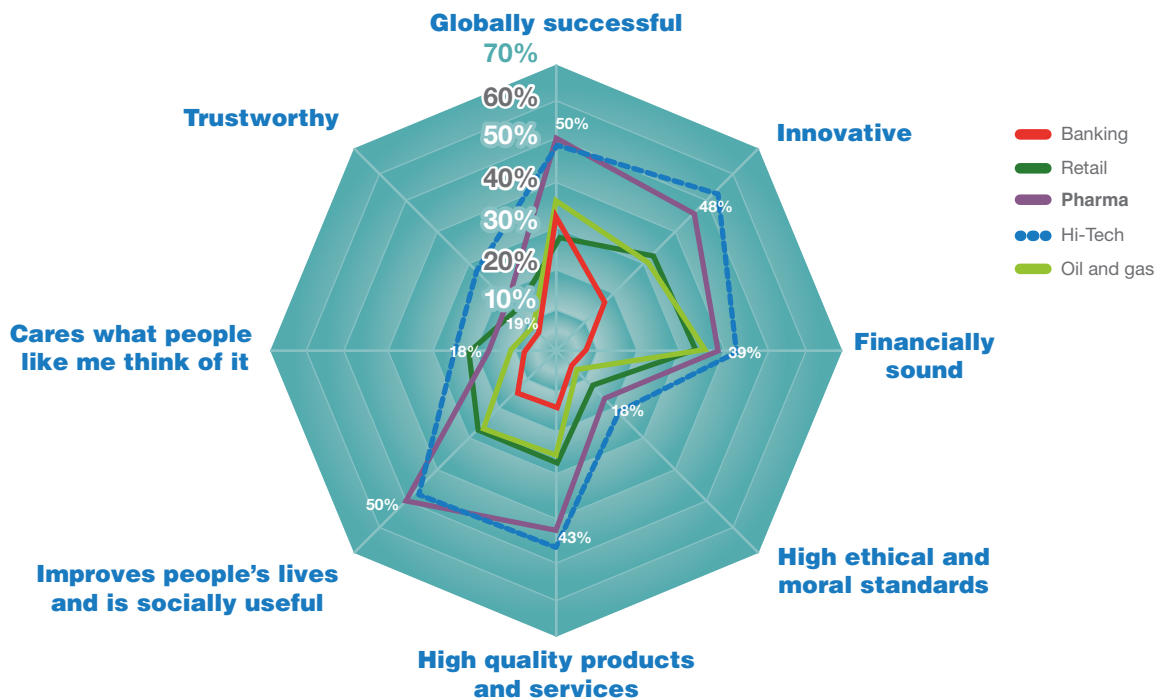
“I have heard that a pharmaceutical company had withheld results of drug testing, promoting it to doctors, [and stating] that it worked when it did not. If this is true, it would question both its ethical and legal conduct, as well as preventing me from trusting what I may be given.”

- Female, aged 22, Yorkshire/Humberside

“UK firms are more trustworthy than foreign or EU companies.”

- Female, aged 43, South West England

Figure 4. Attitude agreement – UK industries % agree or agree strongly.



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On the topic of being trustworthy, it is interesting to note that 43% of UK MPs polled for this report say the pharmaceutical industry is trustworthy while just 9% say it is not. This compares very favourably to banking (19% trustworthy, 32% not), in line with oil and gas (38% vs 6%) and construction (40% vs 4%). 81% of MPs also say the industry is important to the UK economy, alongside banking, oil and gas, and construction.

Specific attitudes: profit versus ethics

Where the most negative sentiment lies is around profitability. Two thirds (65%) of the public believe it is 'making bigger and bigger profits' at a time when profits are not universally viewed positively. A third also think the industry is cutting UK jobs, while just 11% disagree. On balance, the majority perception is that pharmaceutical companies do not pay their fair share of tax (23% think they do, but 31% don't), but all of this may not be exceptional to this industry. And tied into this is the belief among 48% of respondents that the NHS does not pay fair value for its medicines, while only 19% believes it does.

"They are entirely necessary for the well-being of the country and must be allowed to make profits if new medication is to be developed."

- Male, aged 73, West Midlands

"The balance between profit and principles is a constant struggle, [I'm] not sure if it is possible for both to win."

- Female, aged 51, Scotland

"Excess profits [are] disproportionate to research costs, [there are] over hyped products, [and an] overcharging of the NHS."

- Male, aged 69, Scotland

Management pay is also an issue, with only 28% agreeing and 36% disagreeing that 'I am prepared to accept that pharmaceutical companies make large profits and pay senior managers large salaries as long as they save lives and provide the medicines we need'. However, agreement is much higher among our 'Opinion Formers' panel where 51% agree that management level personnel can command high salaries in return for meeting a medical need. Of this panel, 31% disagree with this statement.

Ethical concerns are raised, with 50% saying 'the industry employs ethical researchers but too many unethical sales people', while 10% disagree. When pushed to choose whether staff and managers of UK pharmaceutical companies care more about improving public health or about profits, we find overwhelmingly that three quarters (74%) say profit comes first, 13% say they care about both equally, and just 3% believe public health comes first. (9% 'don't know').

"They cannot be trusted to put community needs and ethics above profit. Increased regulation may help, but in the end the profit motive seems to be a barrier to decent behaviour in all spheres of industry and commerce."

- Male, aged 69, Yorkshire/Humberside

The difficult relationship between ethics and commercialism is also seen in public perceptions of the interaction between doctors and pharmaceutical companies. Half (51%) of the public sample and 57% of Opinion Formers agree that "I suspect many UK doctors are paid by pharmaceutical companies to prescribe some particular drugs to patients over other similar drugs", while 15% and 20% respectively disagree.

"Doctors should be forced to put up prominent notices in their practices if they have ANY links with pharmaceutical companies."

- Female, aged 64, East of England

The role of the pharmaceutical industry in the future of the NHS

The NHS is always an emotive research topic with the British population. The fact that the UK's pharmaceutical industry is so closely linked with the NHS - once as a supplier, and now increasingly as a partner - puts the industry in an interesting position. Working together positively in a way that helps improve the NHS could have positive implications for the public's view of the pharmaceutical industry, but if the relationship does not work, then the industry's reputation could be damaged.

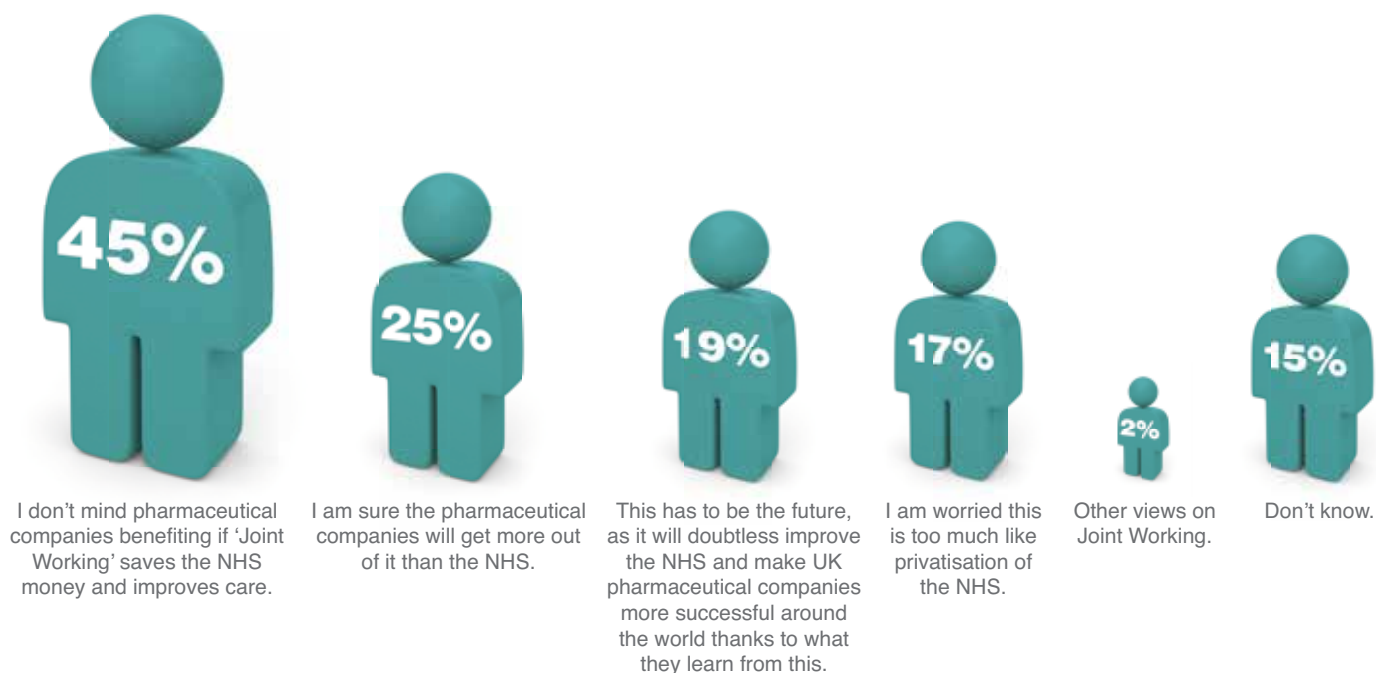
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Although public trust in the pharmaceutical industry is relatively low, as noted, views about ‘Joint Working’ between the NHS and the industry gets a relatively positive reaction. 45% are favourable towards the concept if there are clear NHS benefits, but only 19% are enthusiastic enough to believe that way of working is sustainable and will improve both the NHS and the UK pharmaceutical companies who take part. A quarter of respondents expect pharmaceutical companies to get more out of the arrangement than the NHS. Only 17% express concern that “Joint Working’ sounds too much like privatisation for their liking.’

This positive acceptance is echoed by the majority (55%) agreeing “I have no problem with pharmaceutical companies working in partnership with the NHS in order to cut NHS costs or improve patient outcomes, while in return, companies increase their knowledge or even make a profit.” Just 12% disagree. Agreement rises to 71% amongst Opinion Formers.

Within the sample for this survey were 72 NHS medical staff and 83 NHS staff in other roles. Concern about ‘joint working’ rises to 24% amongst these NHS workers and is even higher (27%) amongst just the medical staff. However a higher proportion of the medical staff (23%) than the general public also say ‘this has to be the future’.

Figure 5. Views on ‘Joint Working’ between NHS and large Pharma companies.



Source: YouGov, representative sample of 4,034 GB adults, August 2013.

“This ‘Joint Working’ is the way forward but it must be independently audited to make sure cures are not ‘lost’ or profit comes before patient care.”

- Male, aged 51, East of England

“UK Pharmaceutical industry should work direct with the NHS for research and testing of new treatments. Should be ethically managed.”

- Male, aged 30, London

What drives the general public’s views about NHS funding is that 46% think more taxpayer money should go to the NHS while a further 35% think it is currently about right. 46% believe taxpayers receive good or very good value for money for their funding, 26% say fair and 22% say poor or very poor, while 7% don’t know.

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When it comes to trying to improve NHS funding through savings, efficiencies or extra budget, it is the relationships with the pharmaceutical companies that top the list. When asked to pick their most important potential changes to funding, 47% say the NHS should try to cut its medicine and equipment bill. Cutting wages for top medical staff and management is picked by 37%, but working in partnership with private companies comes third with 32% (but this falls to 23% amongst NHS staff).

“I am concerned that the NHS is being charged excessive amounts for simple medicines.”

- Male, aged 67, East of England

Figure 6. Three best ways to improve NHS funding (Select 3 only).

Which of the following, if any, do you think are the best ways to improve the funding of the NHS, either by making savings, efficiencies or increasing the total budget? Please select the 3 you feel are best.



Source: YouGov, representative sample of 4,034 GB adults, August 2013.

“On the one hand, [the industry’s] work benefits mankind overall. But on the other, as private companies, I might worry that [pharmaceutical companies] could neglect research into new antibiotics if a competing interest promised greater financial profit for shareholders. I don’t blame the industry for that, but wonder whether there are ways that governments could find new ways to promote certain areas of research whose social value exceeds the likely financial return.”

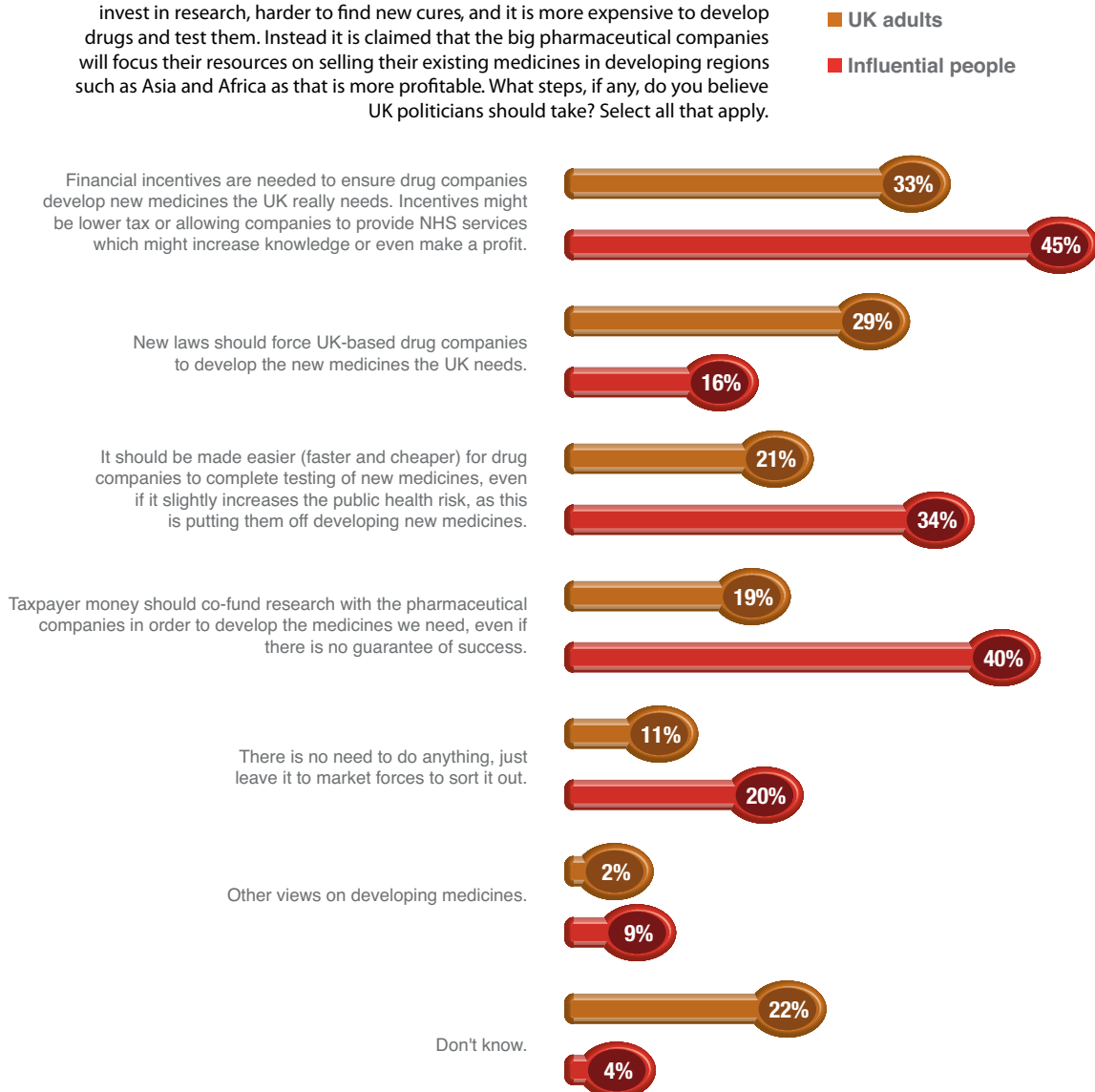
- Male, aged 59, South West England

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One of the medical issues currently gaining prominence in the UK is around concerns that the pipeline of genuinely new drugs is running dry. Commentators claim that pharmaceutical companies are failing to invest in research that will deliver anything more than incremental innovation and will not meet the changing needs of developed countries, particularly to combat the rise of drug-resistance. The pharmaceutical industry, by contrast, is concerned about high development costs and lengthening timelines to bring new drugs to market. Survey respondents were asked what, if anything, policy makers should do about the problem.

Figure 7. Preferred actions by UK Government to ensure pharma companies continue R&D.

It is thought that in the future pharmaceutical companies will spend less money than they used to in developing completely new drugs for people in developed countries (such as the UK). This is because it is becoming harder to raise money to invest in research, harder to find new cures, and it is more expensive to develop drugs and test them. Instead it is claimed that the big pharmaceutical companies will focus their resources on selling their existing medicines in developing regions such as Asia and Africa as that is more profitable. What steps, if any, do you believe UK politicians should take? Select all that apply.



Source: YouGov, representative sample of 4,034 GB adults; 432 UK 'Opinion Formers', August 2013.

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A third of the public (33%) and almost half (45%) of Opinion Formers say that financial incentives should be made available to drug makers to encourage the 'right' drug development, through either tax breaks or access to the NHS market. In contrast, over a quarter of the public opt for a more draconian approach, with 29% saying 'new laws should force UK drug companies to develop the new medicines the UK needs, but this is only picked by 16% of Opinion Formers, whose second choice is to use taxpayer money to co-fund the research and development in priority areas.

The attitude of leaving it all to market forces is only picked by 11% of the public and 20% of Opinion Formers. With so much support for government intervention of one sort or another, but no clear mandate from the public about what this should be, this issue will doubtless continue to be a problem.



Oliver Rowe is Director of Reputation Research at YouGov.

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Fieldwork for the general population survey was conducted online between 20-28 August, 2013, with a total sample of 4,034 British adults. The data has been weighted and the results are representative of all British adults aged 18 or over. Two further surveys were conducted online, including: a representative survey of 100 UK Members of Parliament between 27 June and 10 July, 2013, and a survey of 432 members of YouGov's panel of UK 'Opinion Formers' between 15-20 July, 2013.

For more information on methodology or results, please email: info@yougov.com