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# ***Decliner Understanding***

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## ***Business Situation***

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### Overall:

- Currently, Zyprexa dollar growth and share has declined.
- Volume is extremely concentrated among ~10-15% of retail psychs
  - ~half of Zyprexa retail psych volume is being generated by ~3,000 psychs
  - ~half of AP/MS retail psych volume is being generated by ~4,800 psychs
- While many MDs have had decrease in TRx's, the majority of the decline is concentrated among a small group of physicians as well, i.e. "decliners".

### Decliner Understanding:

- There are 2,521 "Decliners" representing >50% of Zyprexa's total TRx loss, with 620 of those also having a significant share loss as well
  - High Flyers and Rule Bounds represent more than their fair share of Zyprexa's decliners
- There are 1,519 "Growers" representing >50% of Zyprexa's total TRx gain, with 484 of those having significant share gain as well
- Decliners and Growers represent ~41% of the 4,800 top AP/MS psychs and ~46% of the "top doc" volume

# RELATIVELY FEW PSYCHIATRISTS ACCOUNT FOR A LARGE PORTION OF ZYPREXA RETAIL VOLUME

	High volume : TRx > 100			Low volume : TRx < 10		
	Doctors	% of segment doctors	% of segment volume	Doctors	% of segment doctors	% of segment volume
High flyers	809	21	57	684	17	1
Rule bound	770	18	58	1,306	30	1
Selective majority	523	8	39	2,471	38	3
Skeptical experimenters	617	10	43	2,348	37	3
Unclassified	218	4	31	2,887	57	6

**Total**

2,937

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48%

9,696

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2%

48% of Zyprexa retail psych volume is being generated by less than 3,000 psychiatrists

9,700 psychiatrists on the target list generate only 2% of Zyprexa retail psych volume

**OVERALL ZYPREXA VOLUME DECLINED BETWEEN JUNE-AUGUST AND MARCH-MAY 2003, WITH A LARGE NUMBER OF PHYSICIANS CONTRIBUTING TO THE DECLINE**

**Breakdown of psychiatrists by change in Zyprexa TRx**

	<b># of physicians</b>	<b>Change in TRx</b>
Neutral/ Growers	17,247	91,221
Decliners	15,214	(132,257)
<b>Total change</b>	<b>32,461</b>	<b>(41,036)</b>

Source: TRx data June-August vs March-May 2003

**HOWEVER, THE MAJORITY OF THE MOVEMENT IS CONCENTRATED AMONG A SMALL NUMBER OF SIGNIFICANT GROWERS AND DECLINERS**

**Breakdown of psychiatrists by change in Zyprexa TRx**

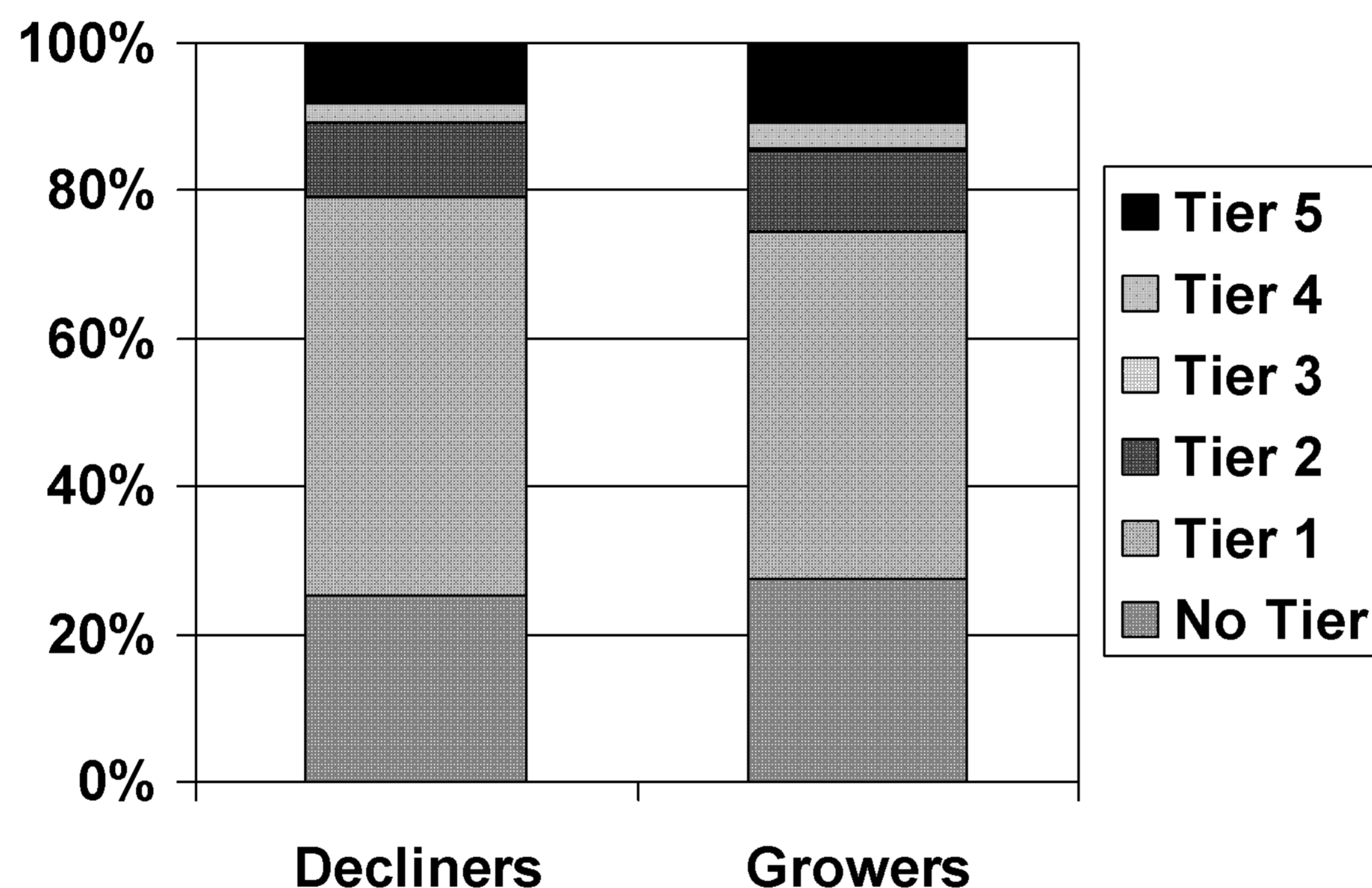
	<b># of physicians</b>	<b>Change in TRx</b>
Significant Growers*	1,519 (484 of which have >10% SOM increase)	50,263
Significant decliners*	2,521 (620 of which have >10% SOM decrease)	(70,721)
All others	23,329	(20,578)
<b>Total change</b>	<b>26,212</b>	<b>(41,036)</b>

\* Growers or decliners are those whose volume changed by more than 15 prescriptions over the three month period

Source: TRx data June-August vs March-May 2003

**MANY OF WHICH ARE TIER 1S, WITH GROWERS AND DECLINERS HAVING SIMILAR # OF CALLS.**

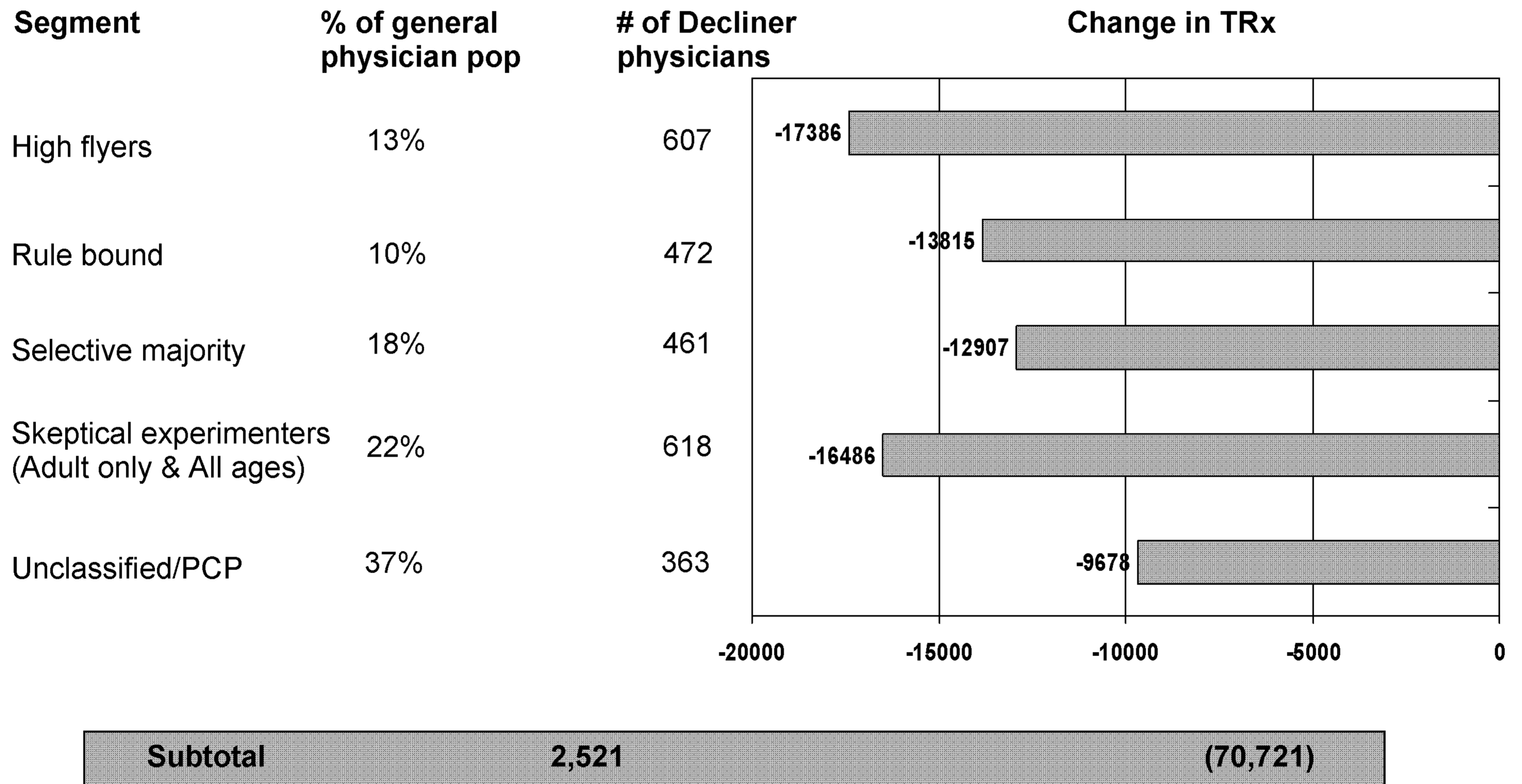
*54% of Decliners and 48% of Growers are Tier 1s.*



*There is no significant difference in the number of sales calls between the two groups.*

***~Half of TRx loss is from High Flyers and Rule Bounds, which are over-represented in the decliners***

**Breakdown of declining psychiatrists by segment**



\* Declining psychiatrists are those whose volume declined by more than 15 prescriptions three month vs 3 month period  
 Source: TRx data June-August vs March-May 2003

***THE DOLLAR OPPORTUNITY IS SIGNIFICANT BOTH TO REINFORCE  
AMONG THE GROWERS AND STAVE THE DECLINE***

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**Major Decliners\*:**

- 20% TRx Loss Regained: ~\$4.3Million/Qtr
- 40% TRx Loss Regained: ~\$8.7Million/Qtr
- 60% TRx Loss Regained: ~\$13Million/Qtr

**Major Growers\*:**

- Prevent from becoming neutral/moderate growers: \$10.9Million/Qtr
- Prevent from becoming major decliners: \$25.4Million/Qtr

\*Dollars are not based on a new trend with ever increasing volume or decreasing decline, but rather simply gaining back some percent of lost TRx.

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***What is Driving the Decline/Loyalty?***

## ***Brand Equity Situation***

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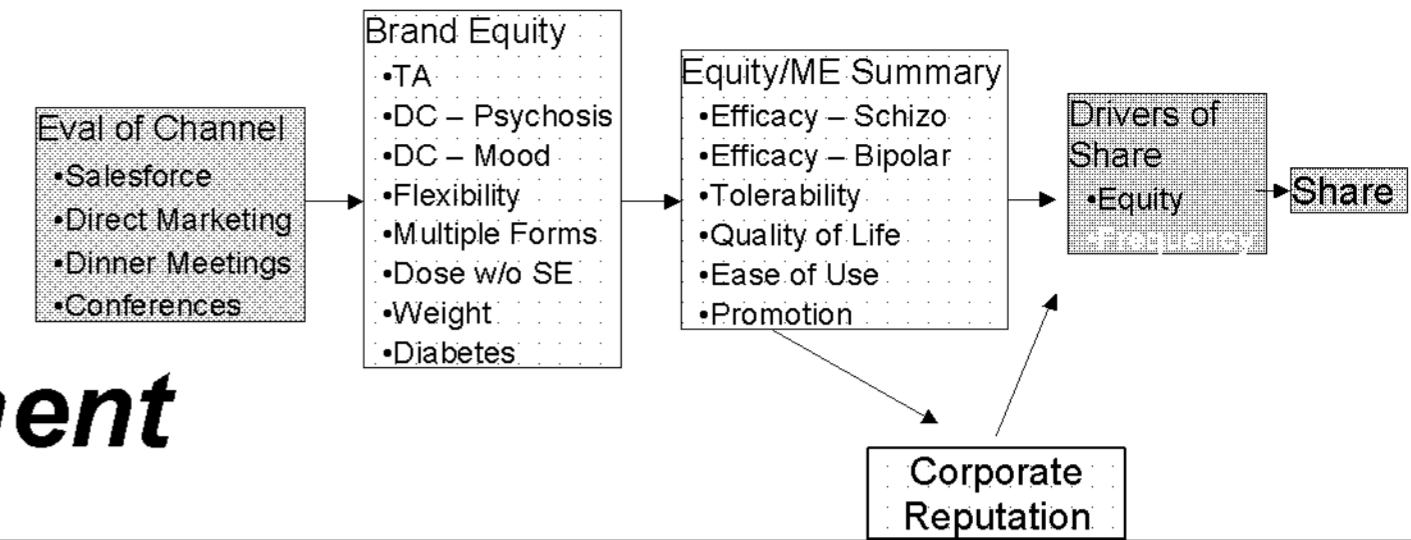
### Overall

- Lilly loses to competitors on reputation and credibility, and Lilly reps lose on aggressiveness (VOC, Spring '03).
- While Zyprexa currently at par or ahead of competitors on efficacy-related dimensions, we are losing on tolerability and quality of life dimensions. (Marketing Effectiveness, May '03)
- While Lilly is rated highly on the services and programming it provides, message recall and retention are lower than desired (Message Recall '03)

### Drivers of Share Understanding:

- Physicians that have a less positive perception of Zyprexa as it relates to overall tolerability and quality of life have lower Zyprexa share
  - For High Flyers, tolerability and QOL are important, with therapeutic alliance, DC-mood, weight gain and diabetes being key
  - For Rule Bounds, tolerability, QOL and ease of use are important, with therapeutic alliance and DC-psychosis being the key drivers, while diabetes (only), mood and dosing are secondary
  - For All Other, QOL is important, with therapeutic alliance, weight gain (only), and flexibility being key drivers

# Zyprexa Model – Comparison by Segment

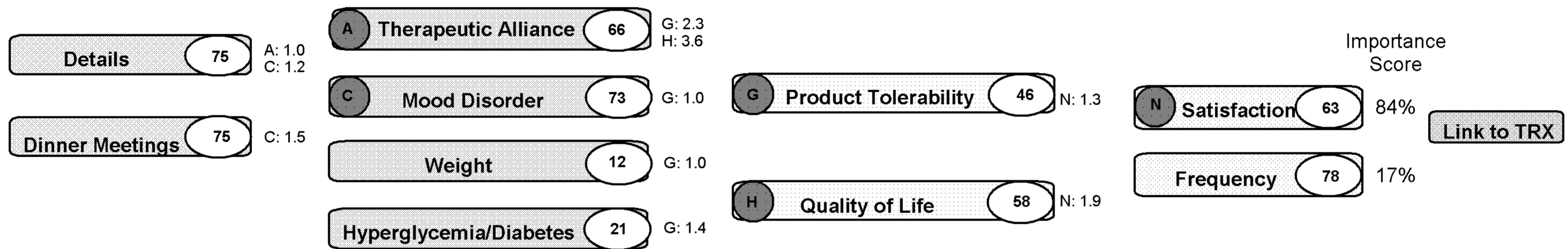


## High Flyer (n=121)

Satisfaction is the primary driver of TRx and is impacted most by Tolerability and Quality of Life (QoL).

**Therapeutic Alliance (TA) is the strongest driver of Tolerability and QoL. Currently, the only marketing intervention driving TA is details.**

Both Weight and Diabetes have strong impact on Product Tolerability.

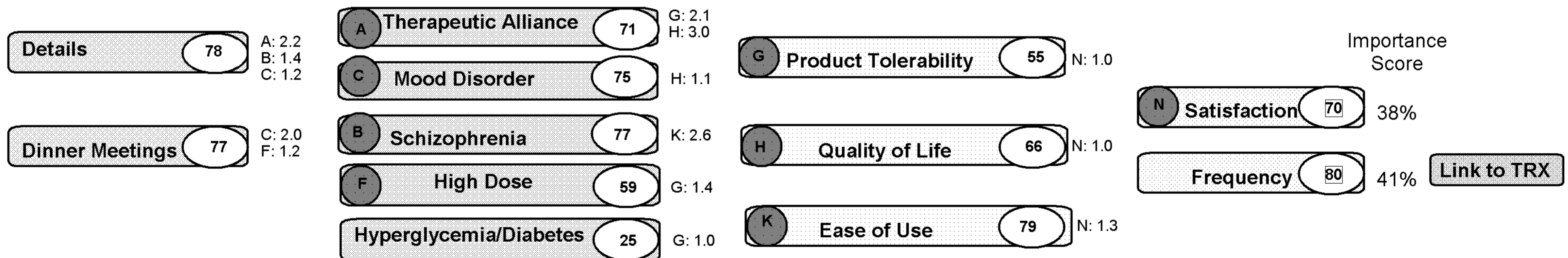


## Rule Bound (n=116)

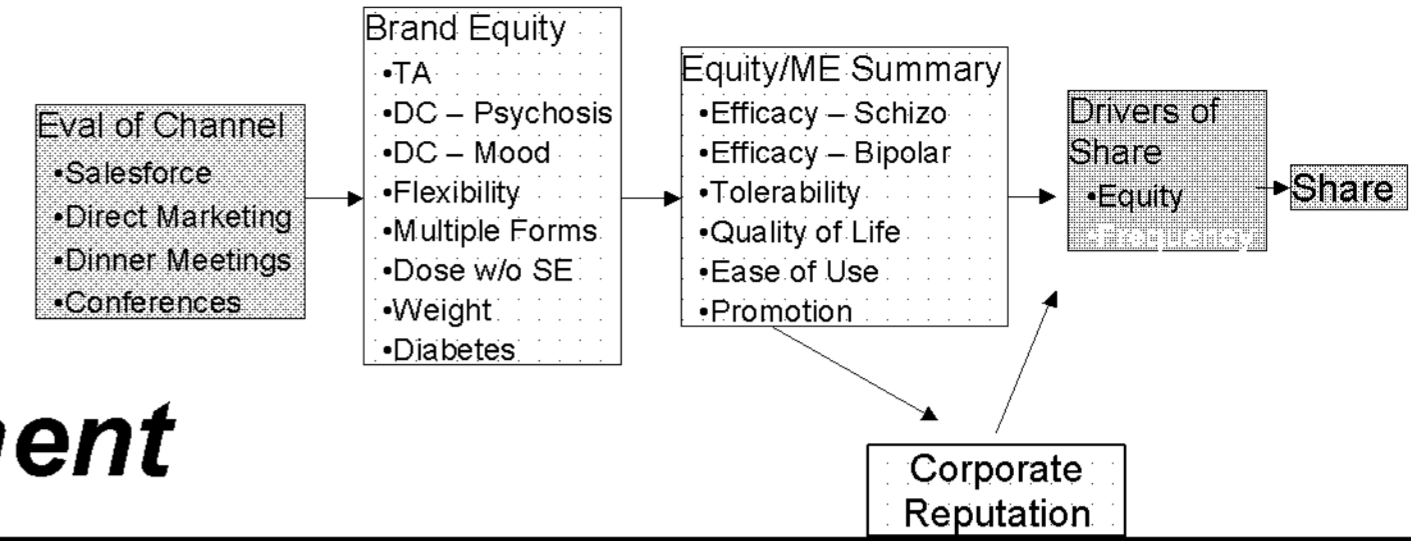
Frequency is much more important to prescribing decisions for Rule Bound physicians than High Flyer physicians. Overall, Rule Bound scores across all components are higher than High Flyers.

Ease of Use has the strongest impact on satisfaction followed closely by Tolerability and QoL. The main driver of Ease of Use is the Schizophrenia BE elements which is driven by details.

Again, TA has the strongest impact on Tolerability and QoL and is only driven by details. Only Diabetes (not Weight) has a strong impact on Tolerability.



# Zyprexa Model – Comparison by Segment



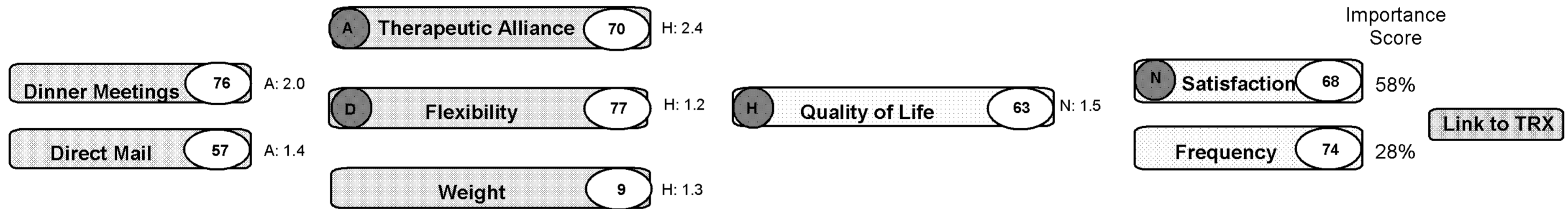
## All Other (n=116)

Frequency is more important to prescribing for the All Other segment than High Flyers, but less so than Rule Bounds.

Quality of Life is the main driver of satisfaction. Therapeutic Alliance (TA) is the strongest driver of QoL. TA is driven through the dinner meeting and direct mail channels.

This is the only group where Flexibility drives QoL.

Only Weight (not Diabetes) has a strong impact on QoL.



## ***Potential NEXT STEPS***

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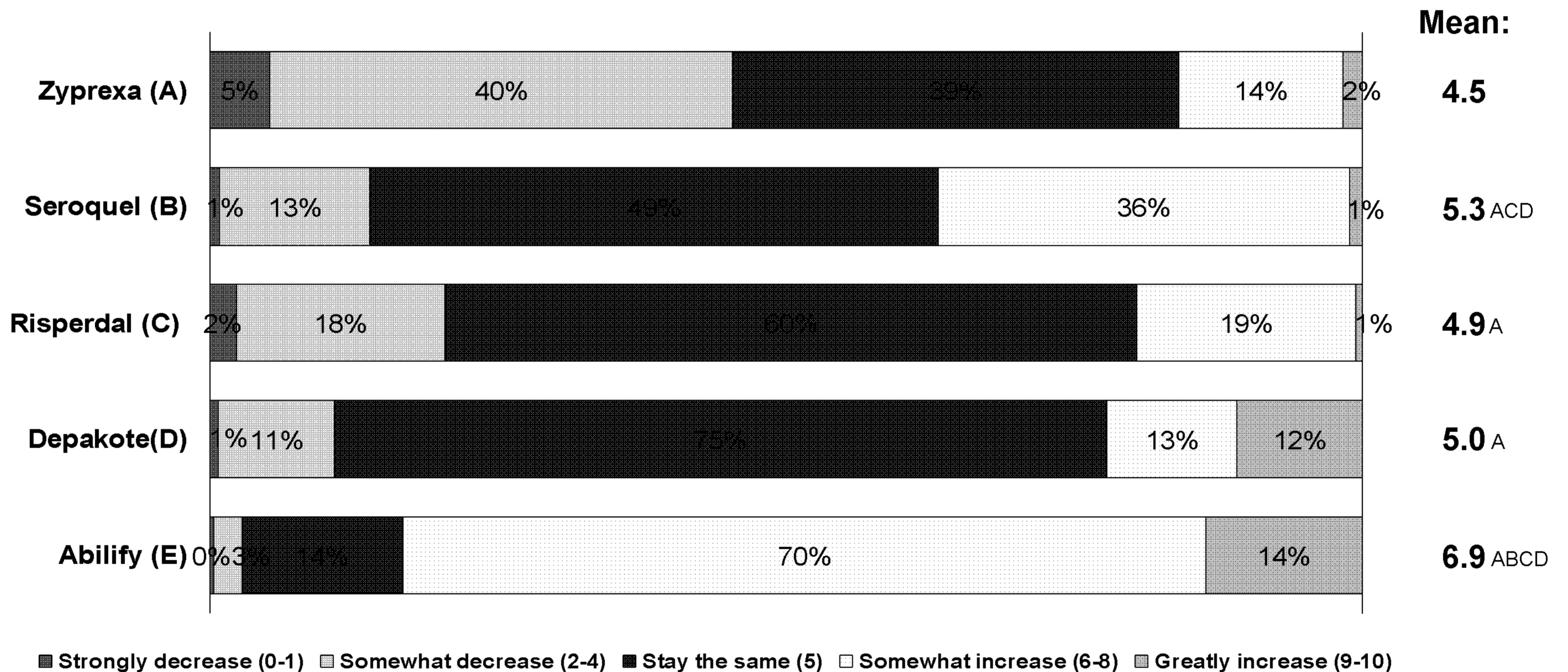
- Accelerate efforts to target the ~620+ physicians contributing most significantly to Zyprexa's volume + share decline utilizing segmentation, e.g.
  - Have visit by senior leadership if credibility a key trigger
  - Ensure participation in programs
  - Provide direct promotion materials
  - Roll out wellness program to these physicians first
  
- Conduct focused market research to
  - Confirm understanding of reasons for declining volume; Determine key “triggers” and ensure Fence Sitters don't become Decliners
  - Test tactics designed to address weight gain issues (e.g., Wellness program)
  - Determine most which element in the marketing mix are most impactful with these physicians

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***Back-Up***

# Prescribing Changes

Abilify is likely to see the greatest increase of prescriptions in the next six months. To a lesser degree, Seroquel appears to be on a growth track as well. Zyprexa is the most at risk for losing prescriptions in the next six months.

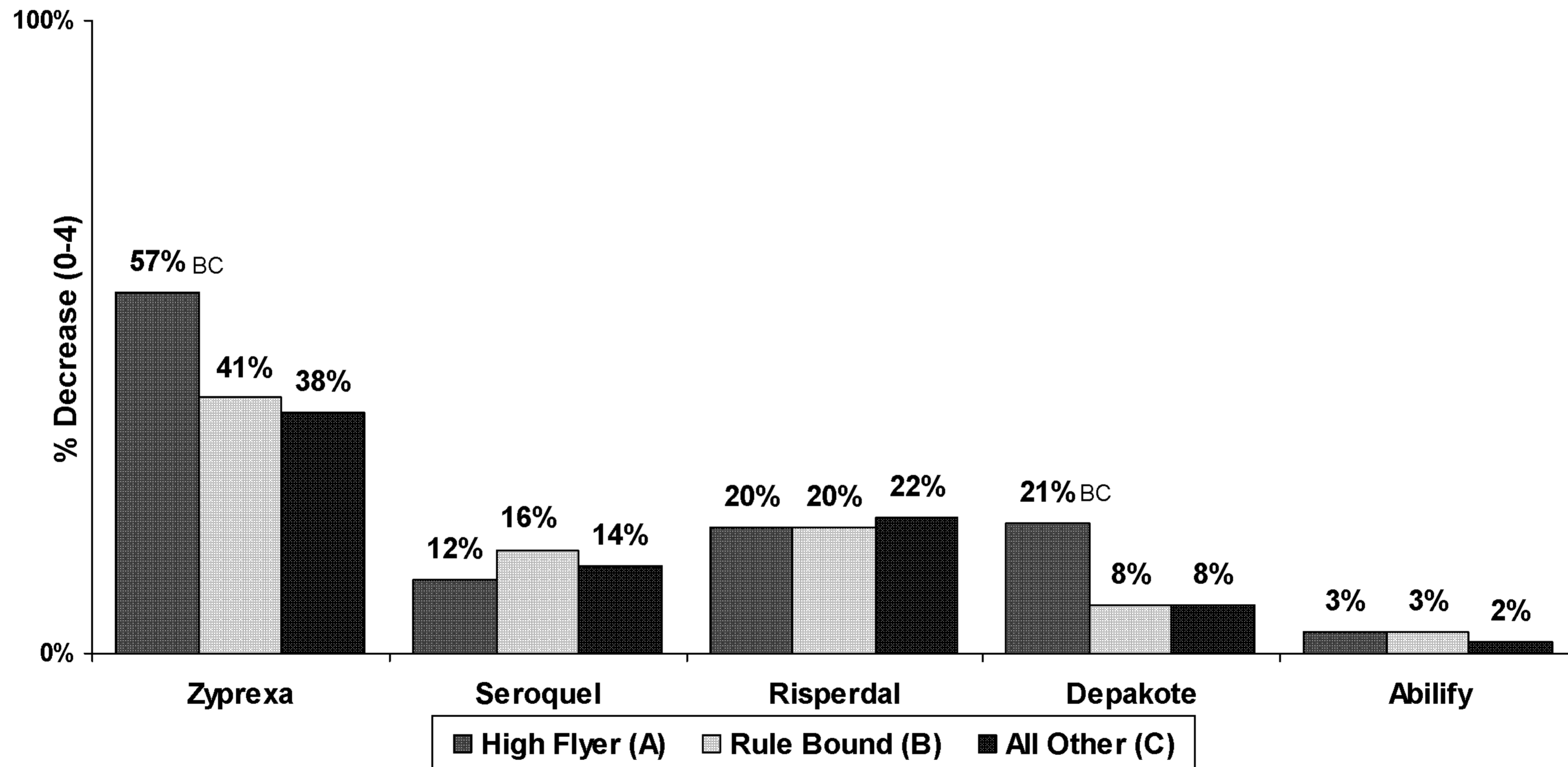


Q18: Please indicate how, if at all, your prescribing of the following medications will likely change over the next 6 months

# Prescribing – Likely to Decrease

By Physician Segment

**High Flyers are significantly more likely to decrease their prescriptions for Zyprexa in the next six months than the Rule Bounds and All Other segments.**



A/B/C denotes statistically significant difference at 95%

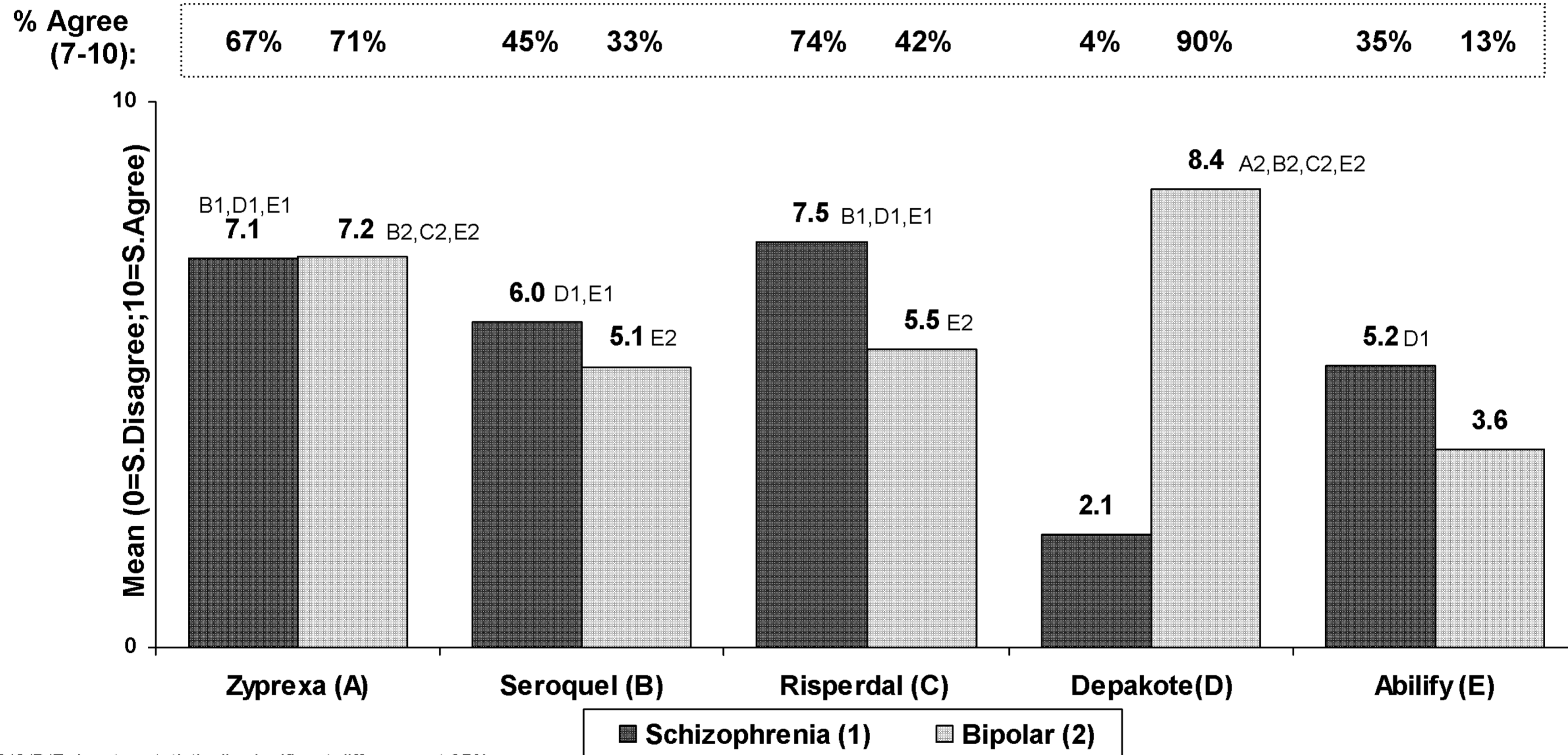
Q18: Please indicate how, if at all, your prescribing of the following medications will likely change over the next 6 months



# Drug Preferences

For Schizophrenia and Bipolar

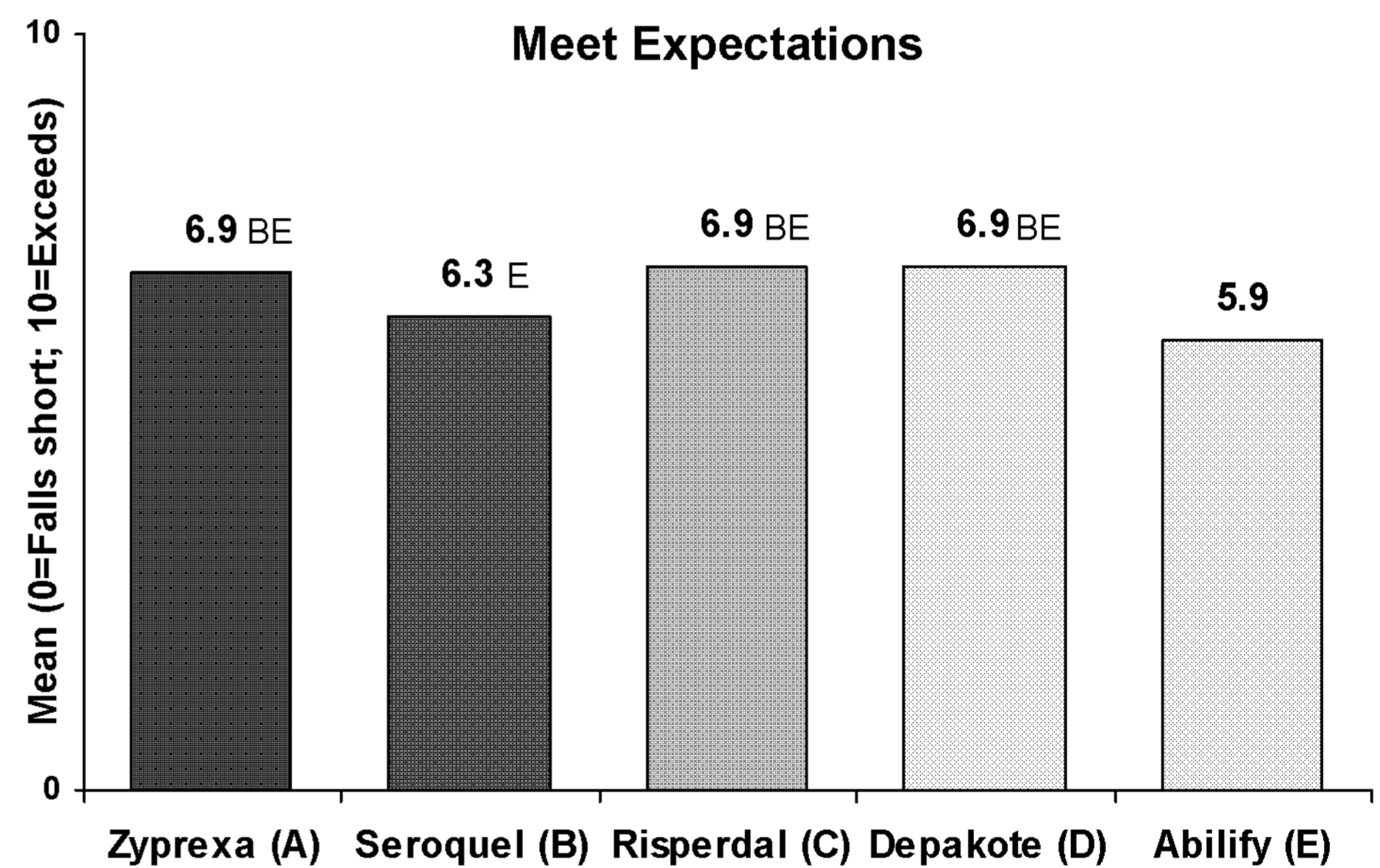
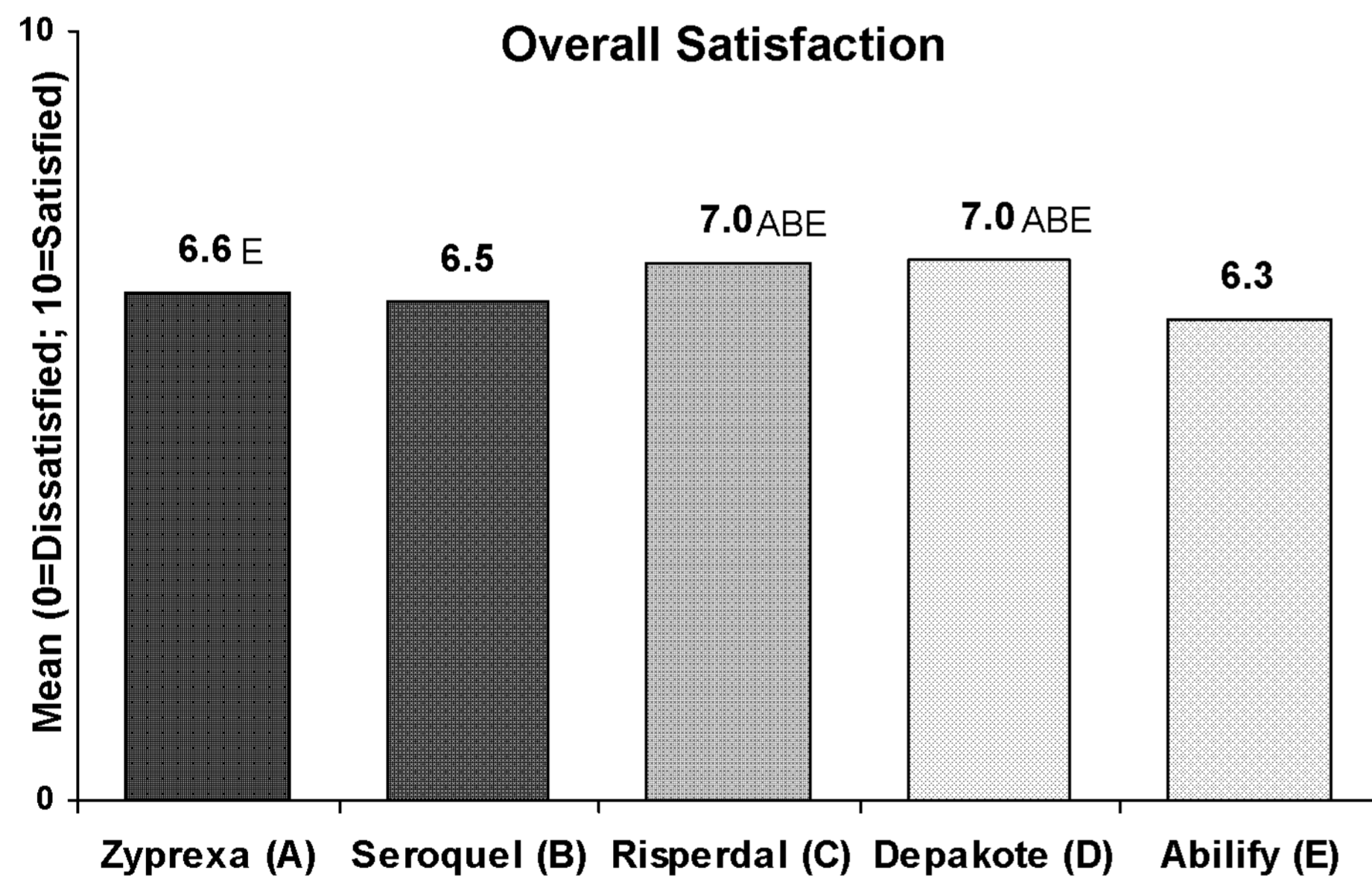
**Risperdal and Zyprexa are the top choices for schizophrenia while Depakote is the top choice for Bipolar Disorder, followed by Zyprexa.**



Q17A: This drug is one of my first choices when treating schizophrenia  
 Q17B: This drug is one of my first choices when treating bipolar disorder

## Satisfaction & Expectations

Depakote and Risperdal receive the highest satisfaction ratings. Depakote, Risperdal and Zyprexa are rated similarly on meeting expectations. Ratings for Abilify on both satisfaction and expectations are likely lower due to physicians' limited experience with the product.



A/B/C/D/E denotes statistically significant difference at 95%

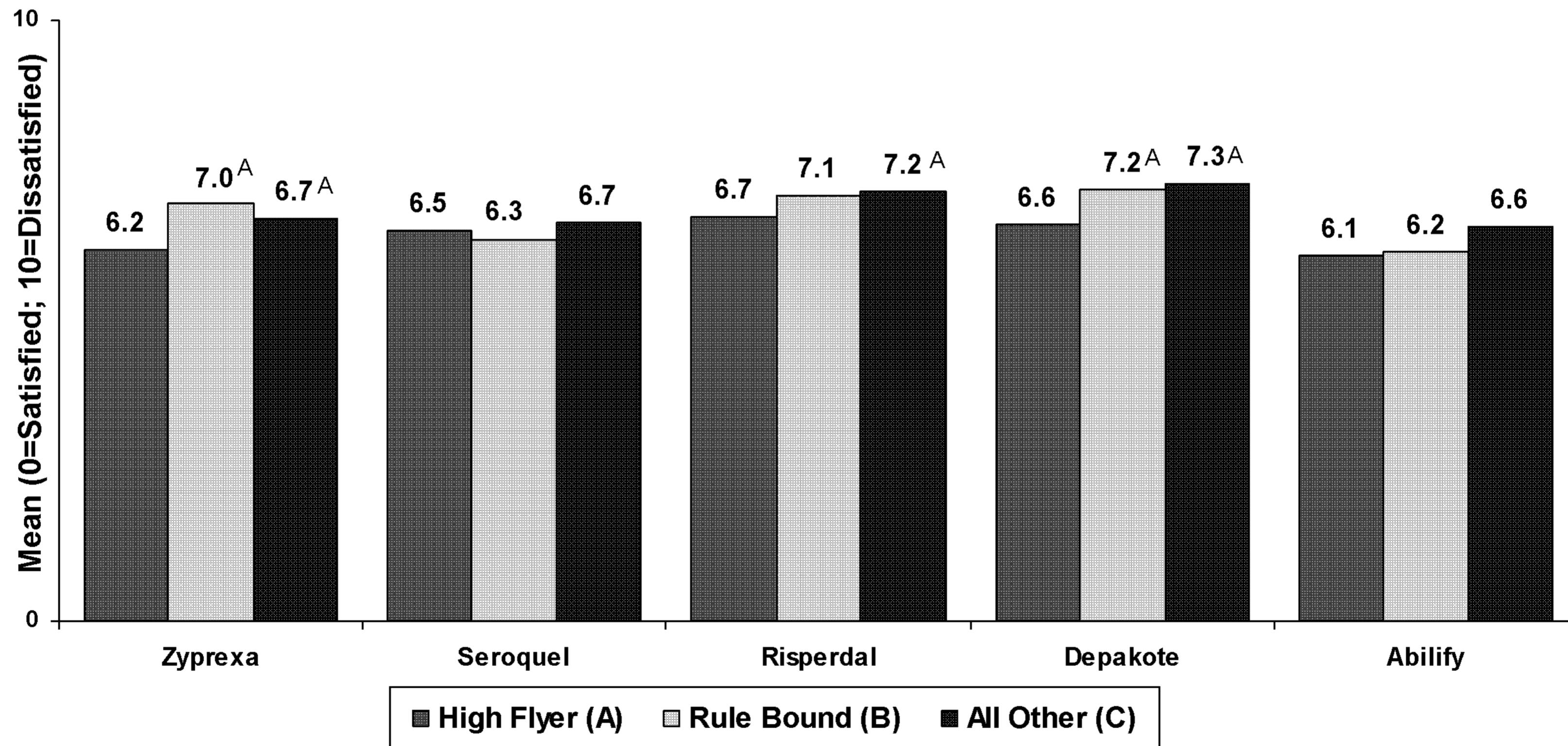
Q15: Based on your own clinical experience, how satisfied are you with each of these medications

Q16: To what extent does each medication meet your expectations

# Satisfaction

By Physician Segment

**Rule Bound and All Other physicians are significantly more satisfied with Zyprexa and Depakote than the High Flyers.**



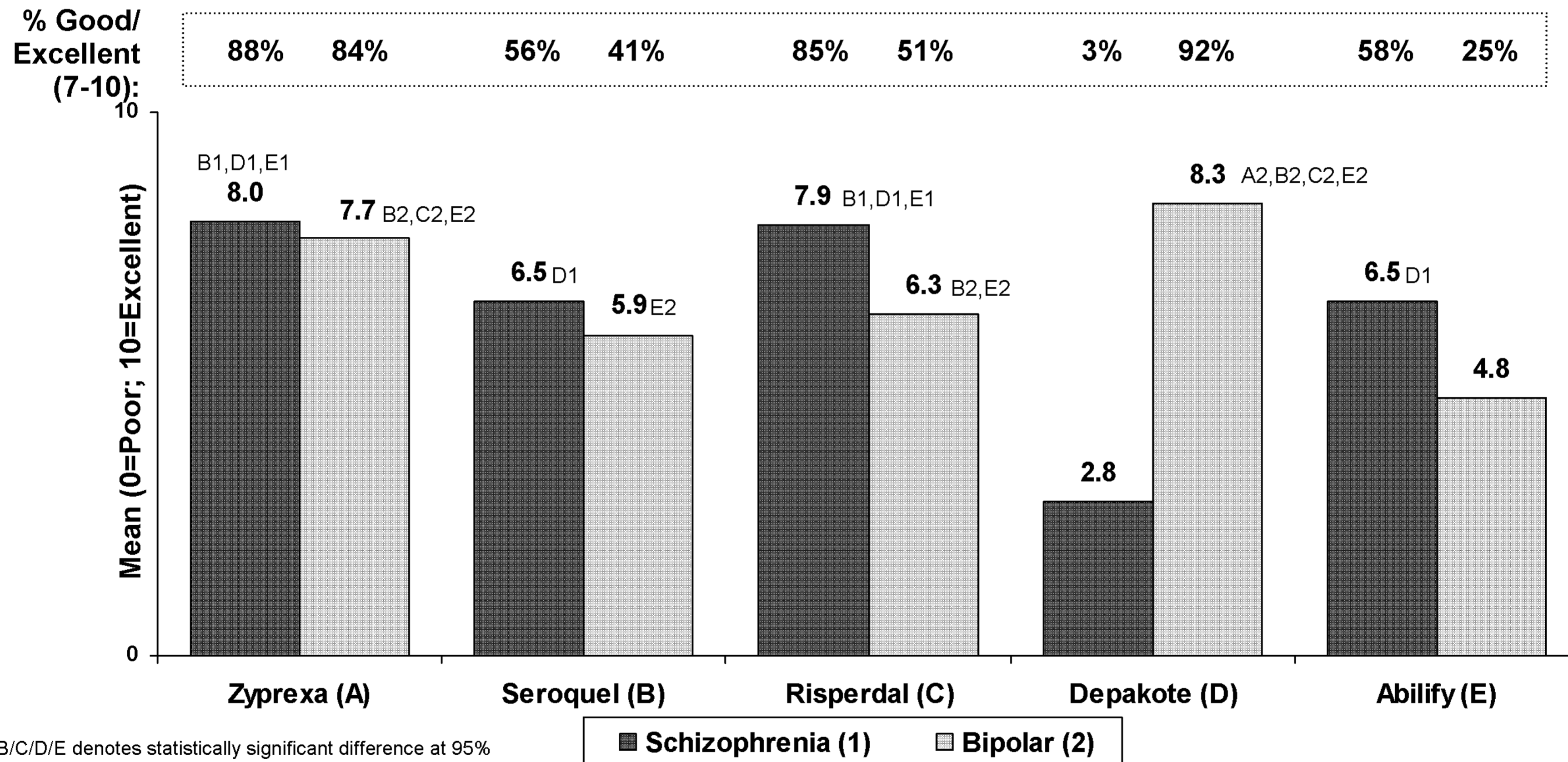
A/B/C denotes statistically significant difference at 95%

Q15: Based on your overall clinical experience, how satisfied are you with each of these medications

## Clinical Experience - Efficacy in Schizophrenia & Bipolar

The majority of physicians rate Zyprexa “good” to “excellent” on efficacy in both core schizophrenia and bipolar symptoms, with Zyprexa being closest to Depakote on bipolar efficacy of the atypicals.

Abilify is already similar to Seroquel on schizophrenia efficacy perceptions.

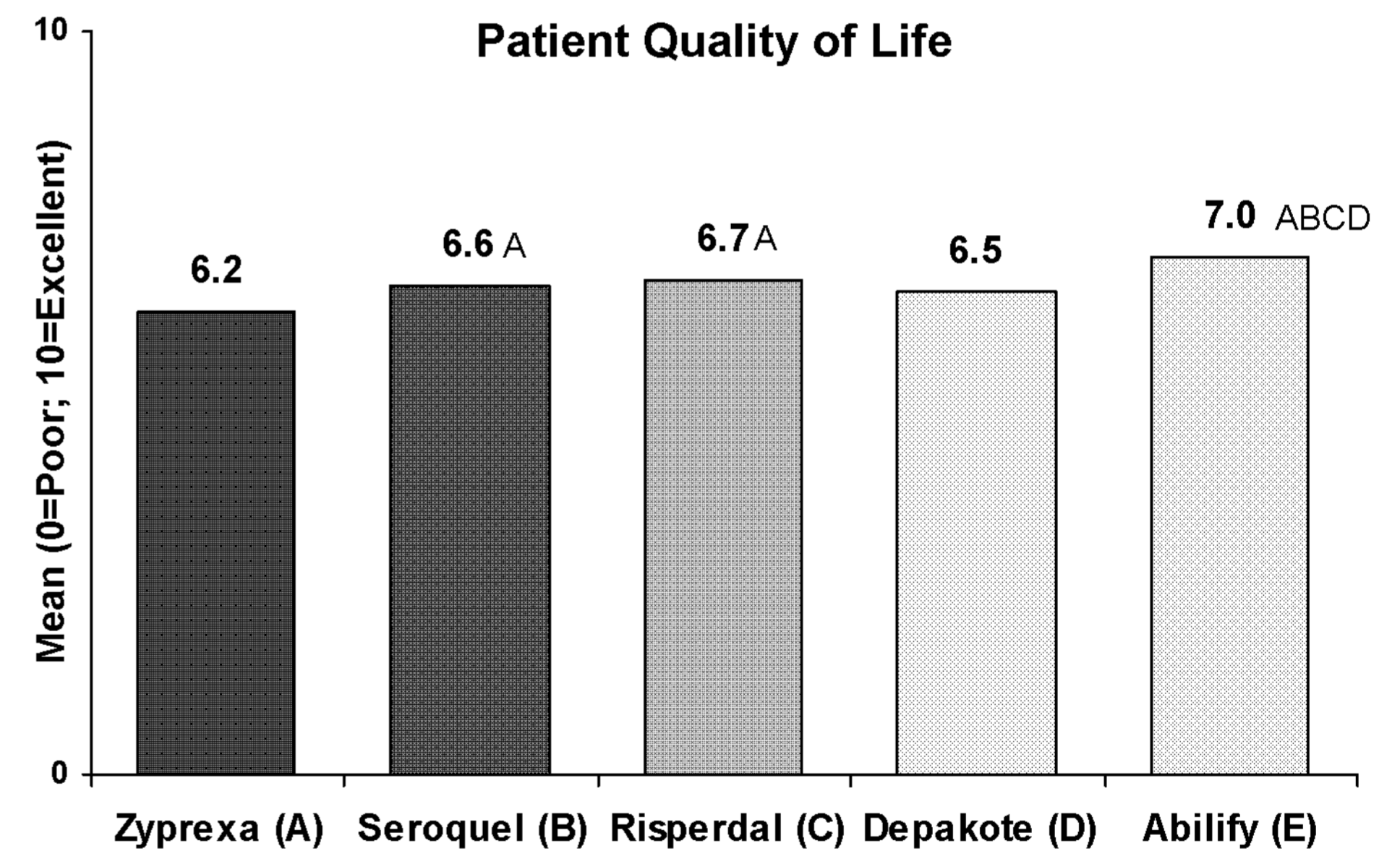
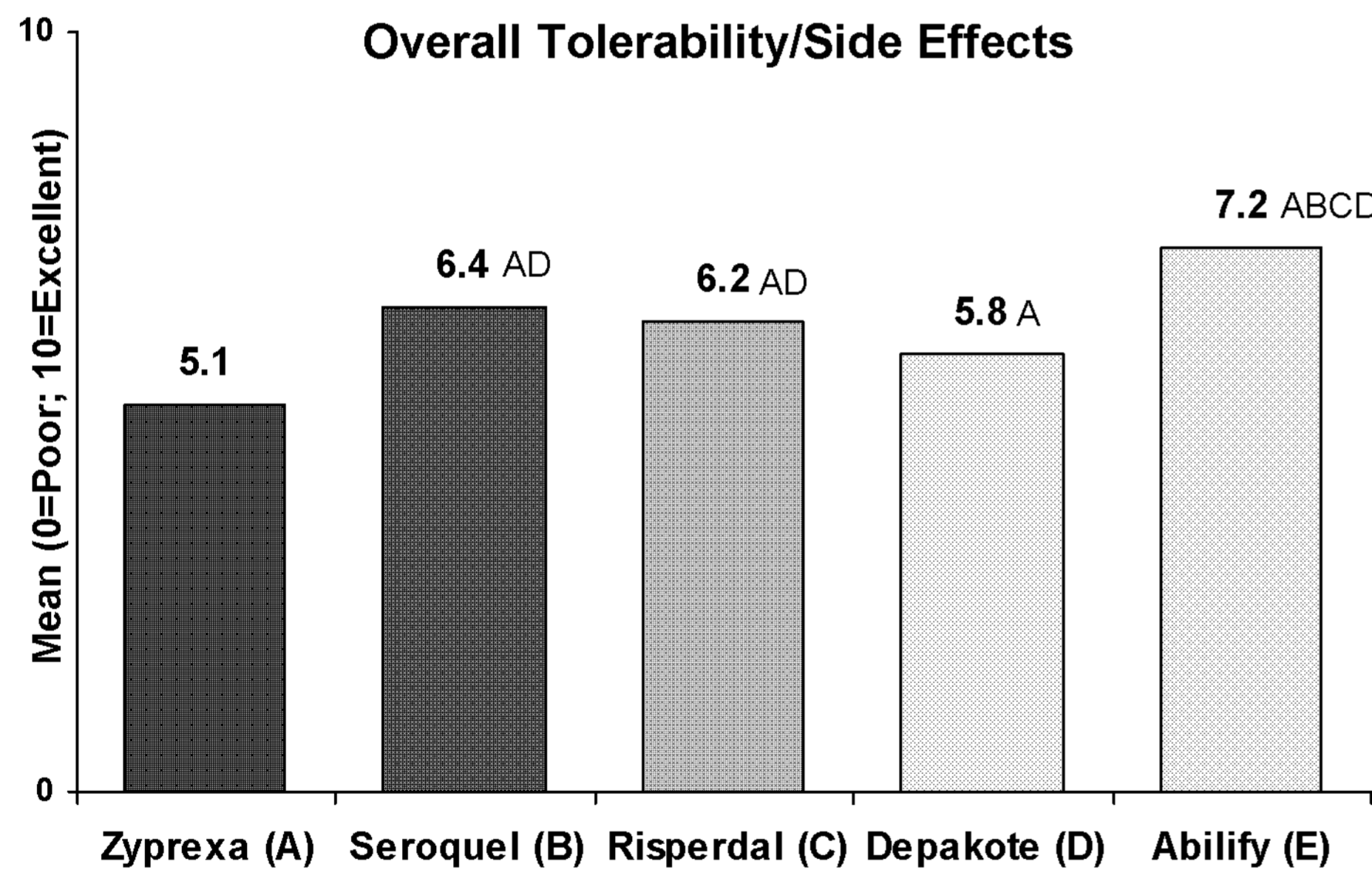


Q19A: How well each medication performs on overall efficacy in core schizophrenia symptoms

Q19B: How well each medication performs on overall efficacy in core bipolar symptoms 20

## Clinical Experience – Tolerability & Quality of Life

**Abilify receives highest marks for tolerability and patient quality of life, whereas Zyprexa receives the lowest scores.**



A/B/C/D/E denotes statistically significant difference at 95%

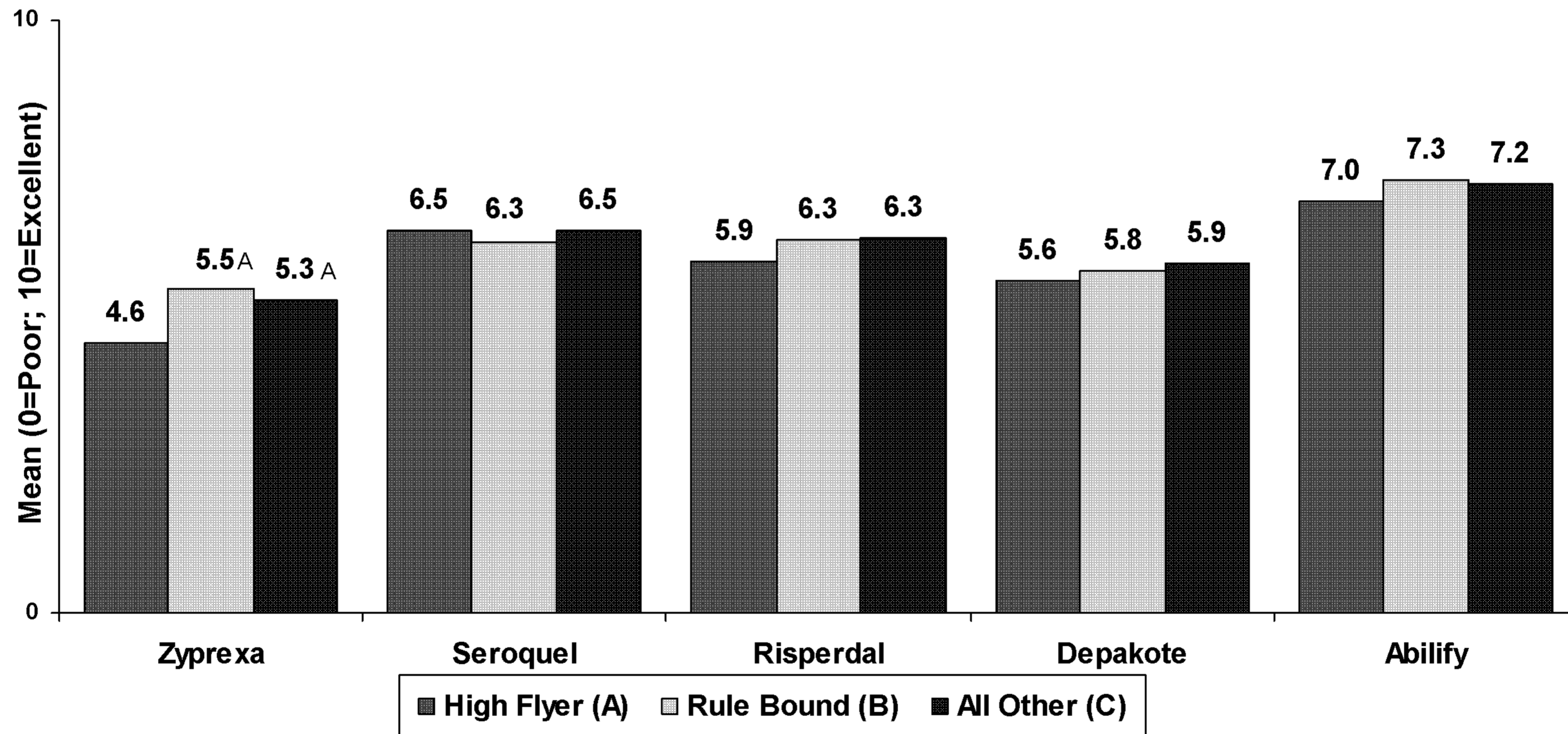
Q19C: Overall tolerability/side effects

Q19F: Overall patient quality of life on the medication

# Tolerability

By Physician Segment

The High Flyer segment rates Zyprexa significantly lower on tolerability than the other segments.



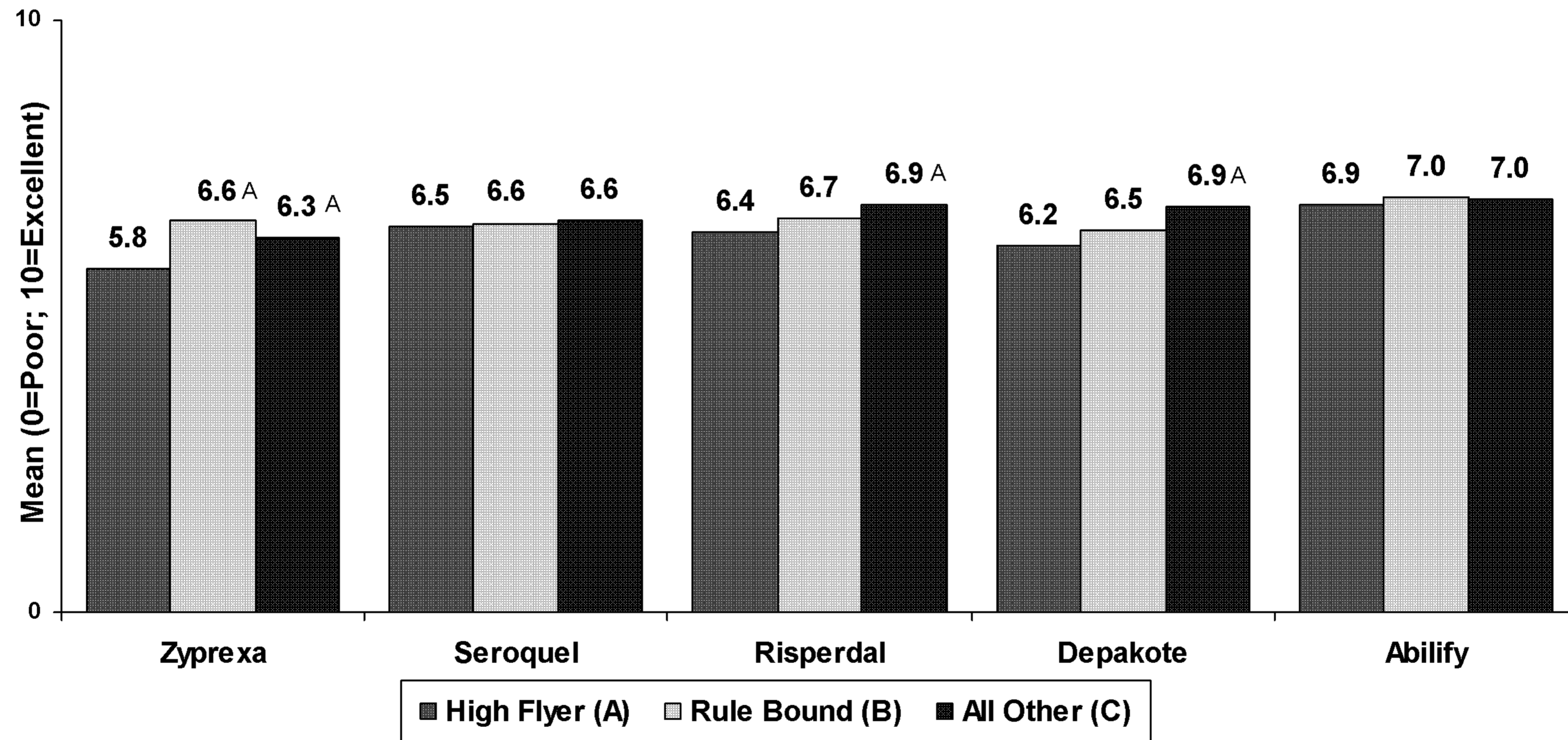
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Q19C: Overall tolerability/side effects

# Patient Quality of Life

By Physician Segment

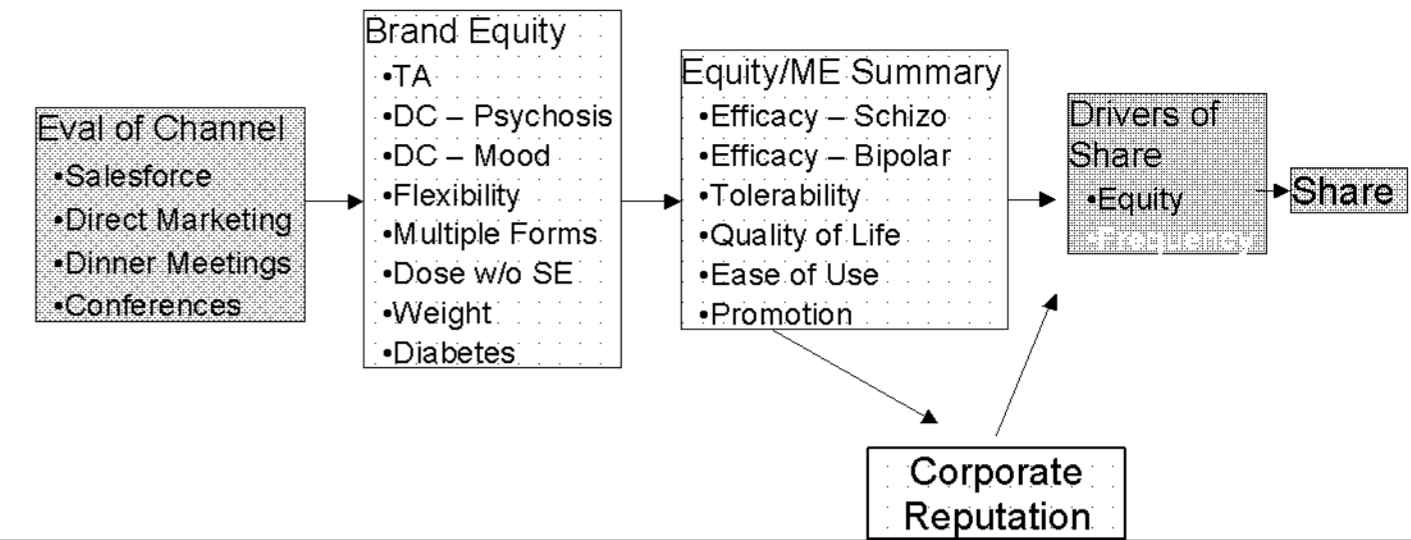
**Like tolerability, High Flyer physicians rate Zyprexa significantly lower on patient quality of life than Rule Bound and All Other physicians.**



A/B/C denotes statistically significant difference at 95%

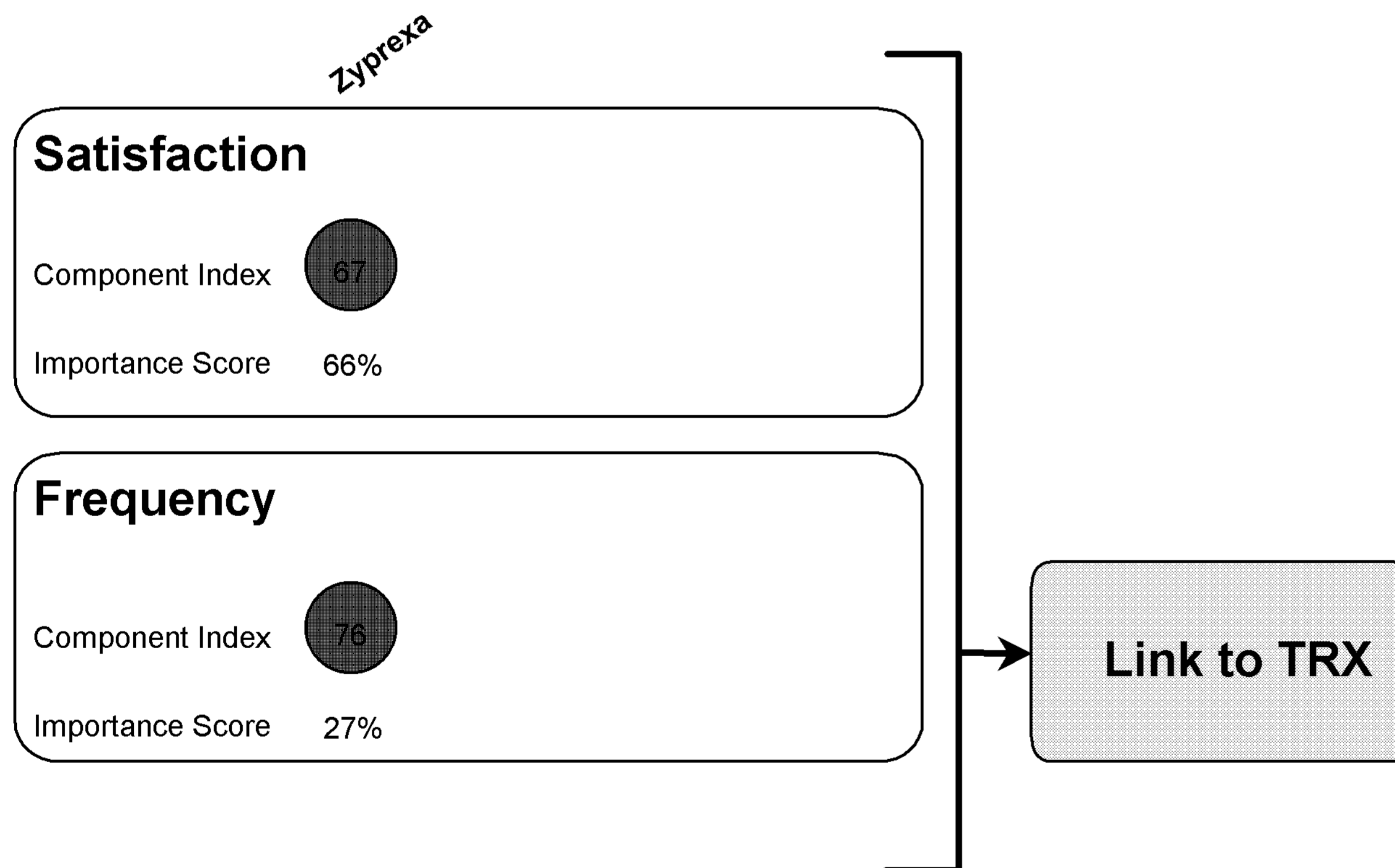
Q19F: Overall patient quality of life on the medication

# DCM Output for TRx



Satisfaction is the most important determinant of TRx share for Zyprexa.

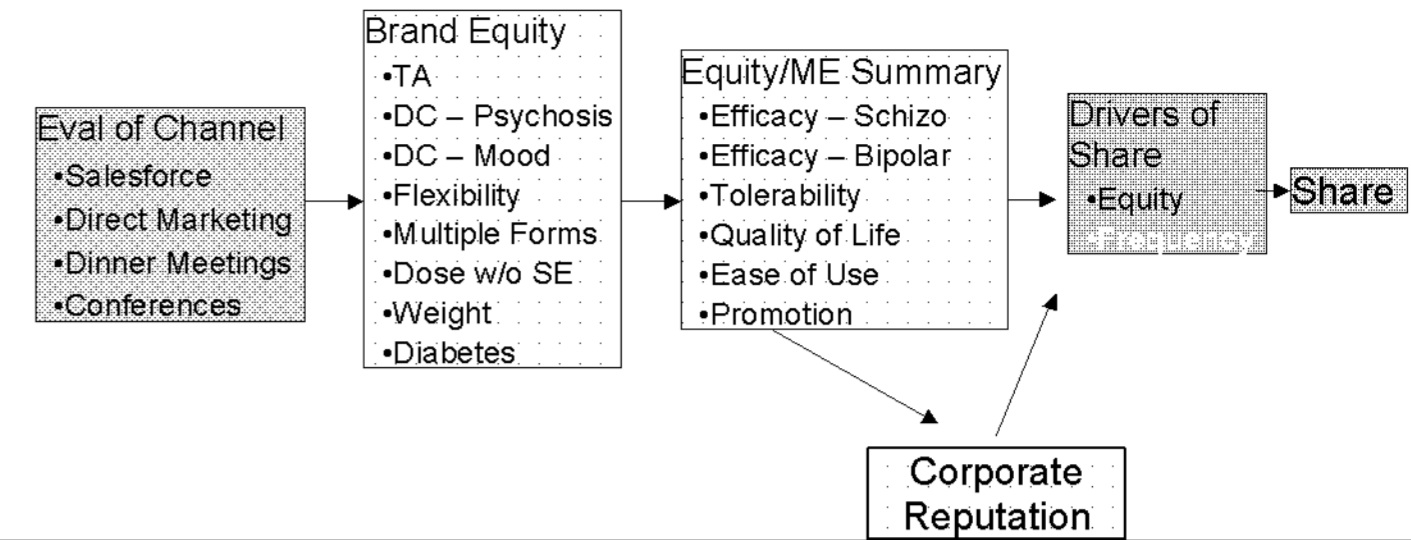
Salesforce frequency is 1/2 as likely to drive share as satisfaction



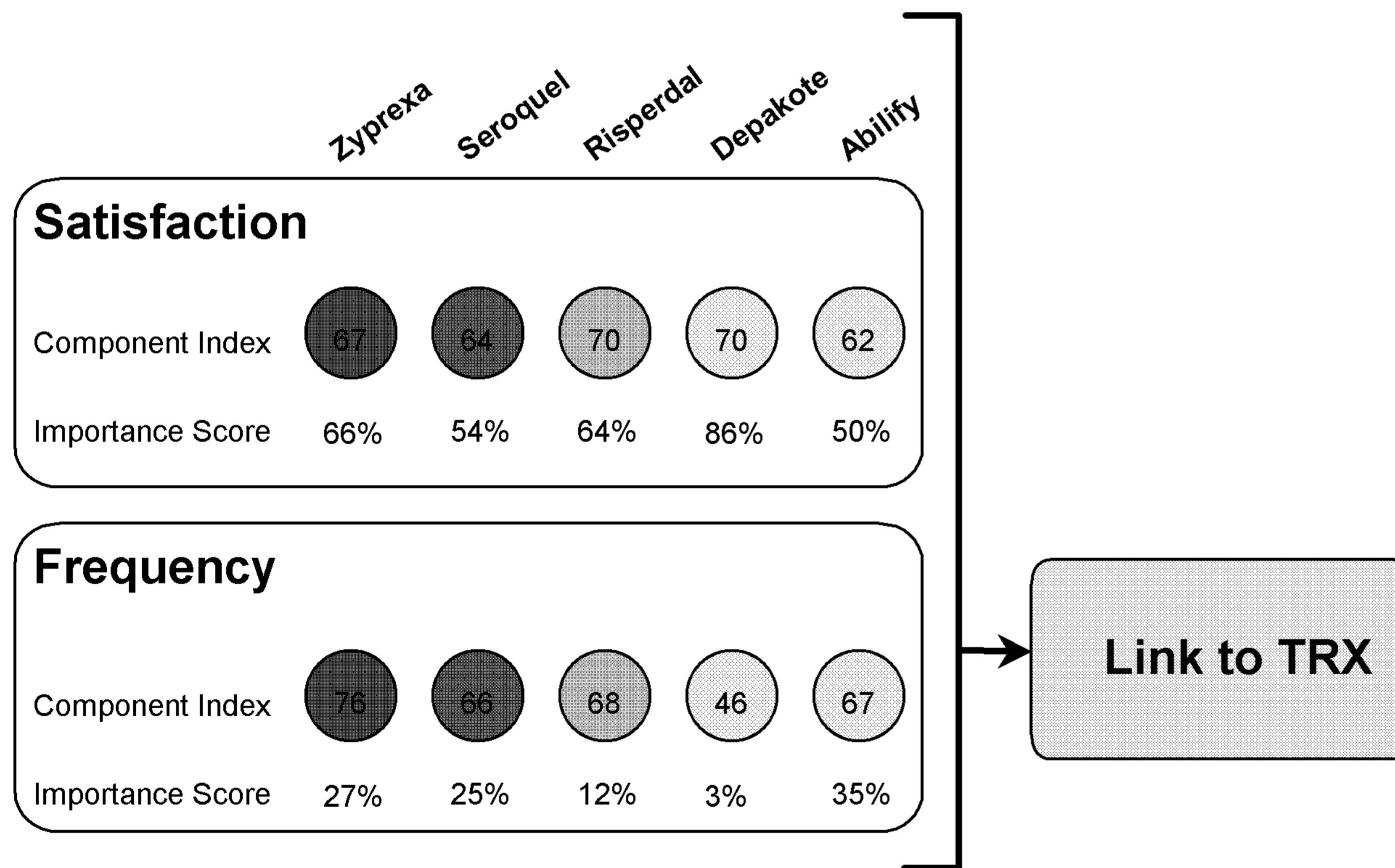
Note: Importance scores derived using a DCM where the competitive set included Abilify, Depakote, Risperdal, Seroquel and Zyprexa.



# DCM Output for TRx

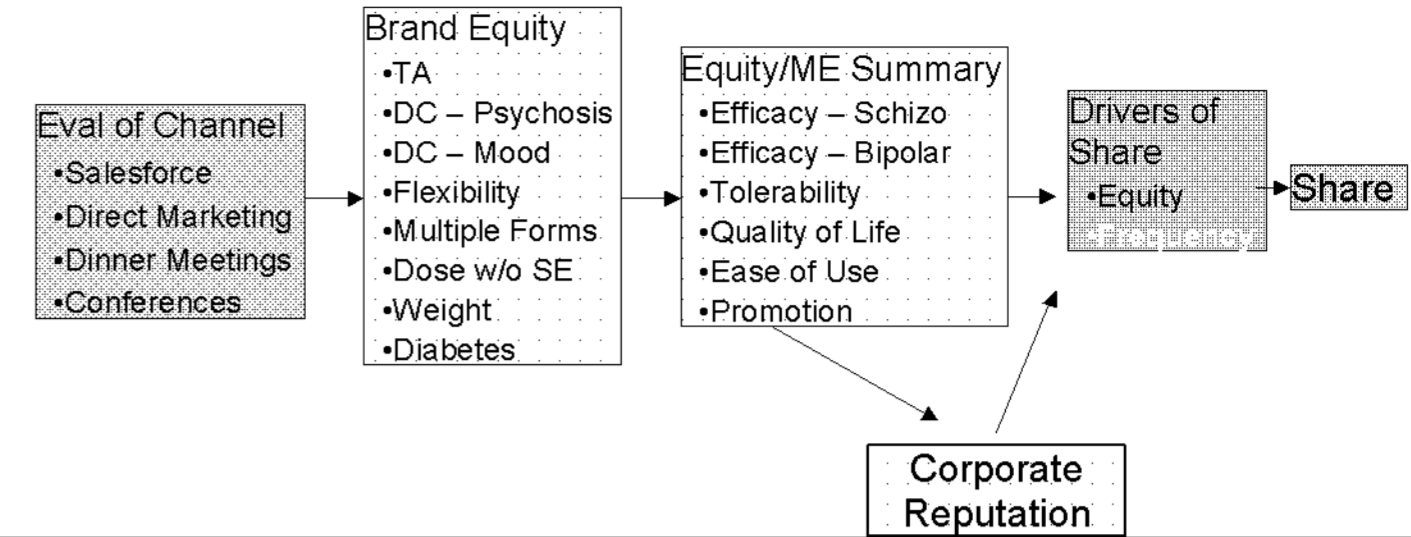


Need to work to stave off competitors on satisfaction, especially Seroquel and Abilify



Note: Importance scores derived using a DCM where the competitive set included Abilify, Depakote, Risperdal, Seroquel and Zyprexa.

# MSImpact Model



	Zyprexa	Seroquel	Risperdal	Depakote	Abilify
<b>Product Tolerability</b>					
Component Index	51	64	62	58	72
Satisfaction Impact	1.1	0.4	0.7	0.7	1.0
Corporate Image Impact	0.2	0.5	0.4	0.4	0.0
<b>Quality of Life</b>					
Component Index	62	66	67	66	70
Satisfaction Impact	1.5	1.3	1.9	1.2	1.4
Corporate Image Impact	0.3	0.4	0.4	0.3	0.1
<b>Efficacy Schizophrenia</b>					
Component Index	80	66	80	28	66
Satisfaction Impact	0.8	1.4	1.1	0.4	1.5
Corporate Image Impact	0.6	0.2	0.3	0.3	0.2
<b>Efficacy Bipolar</b>					
Component Index	77	59	63	84	48
Satisfaction Impact	0.5	0.8	0.2	1.7	0.5
Corporate Image Impact	0.6	0.5	0.4	0.2	0.4
<b>Ease of Use</b>					
Component Index	77	60	74	64	78
Satisfaction Impact	0.5	0.3	0.4	0.1	0.0
Corporate Image Impact	0.4	0.0	0.0	0.5	0.3
<b>Promotion</b>					
Component Index	76	68	71	58	64
Satisfaction Impact	0.0	0.0	0.0	0.0	0.0
Corporate Image Impact	3.0	3.2	3.3	3.1	3.5

To Stave off Competitors Continue to: Reinforce schizophrenia efficacy perceptions and use launches to match/exceed Depakote's perceptions in bipolar disorder

Greatly increase: Quality of life and patient tolerability perceptions, as these are greatest opportunities to increase share

This fits with the strategy... address weight gain and diabetes... so that you can launch effectively.

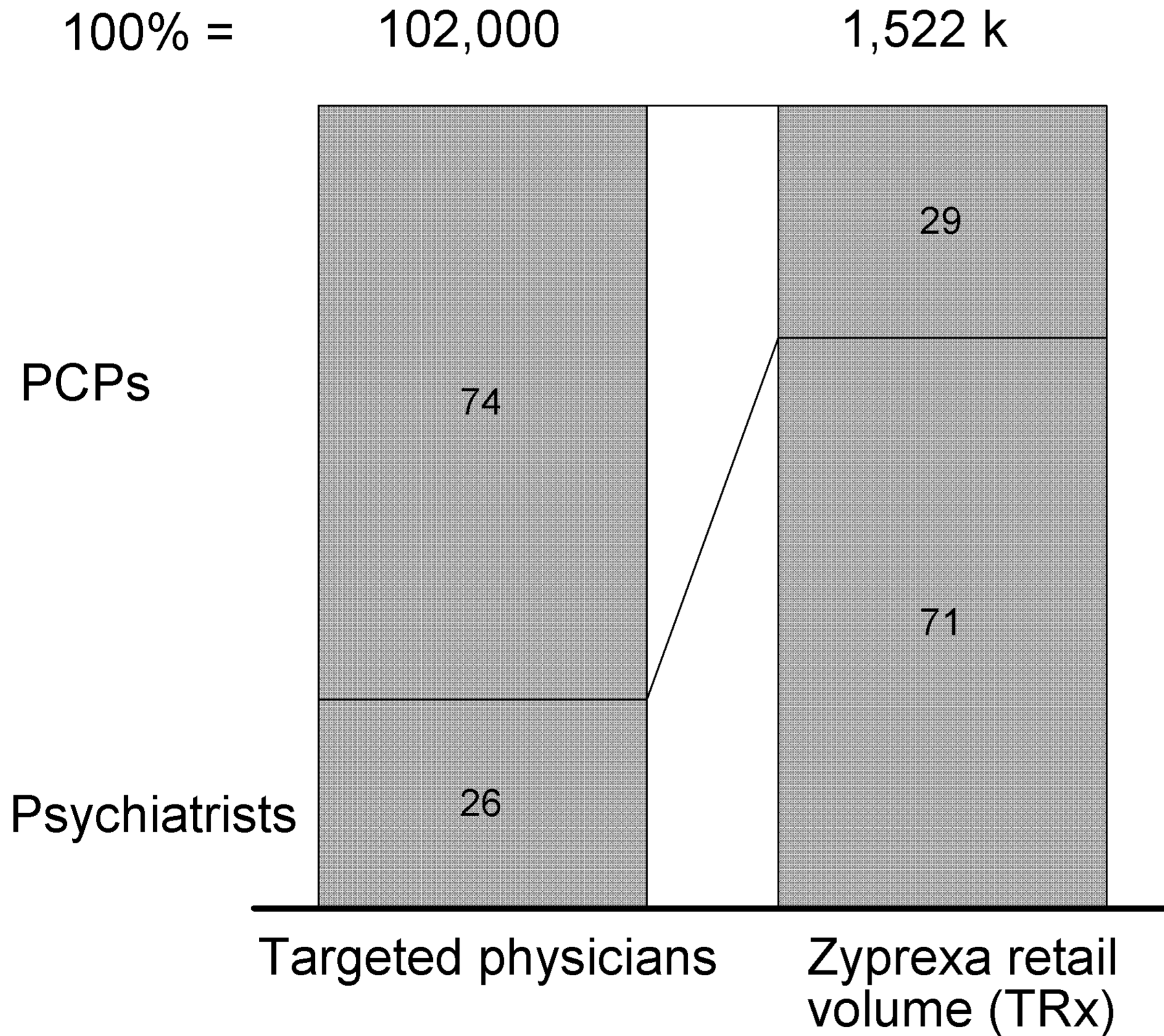
	Zyprexa	Seroquel	Risperdal	Depakote	Abilify
<b>Corporate Image</b>					
Component Index	75	63	68	58	62
Satisfaction Impact	0.2	0.6	0.4	0.4	0.5
<b>Satisfaction</b>					
	67	64	70	70	62
	Zyprexa	Seroquel	Risperdal	Depakote	Abilify

n=353 weighted by segment

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***Growers, Decliners, and Abilify Users***

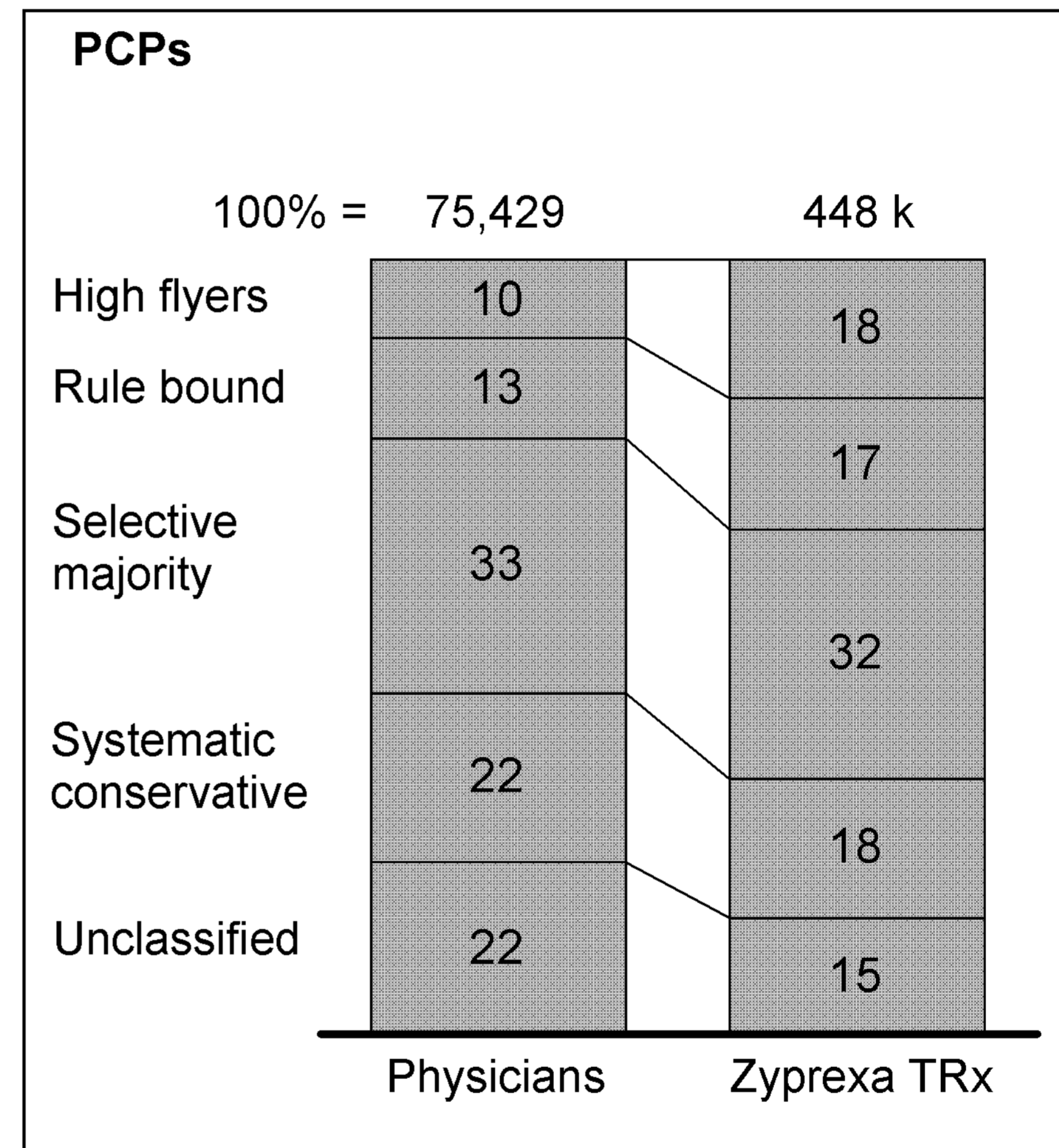
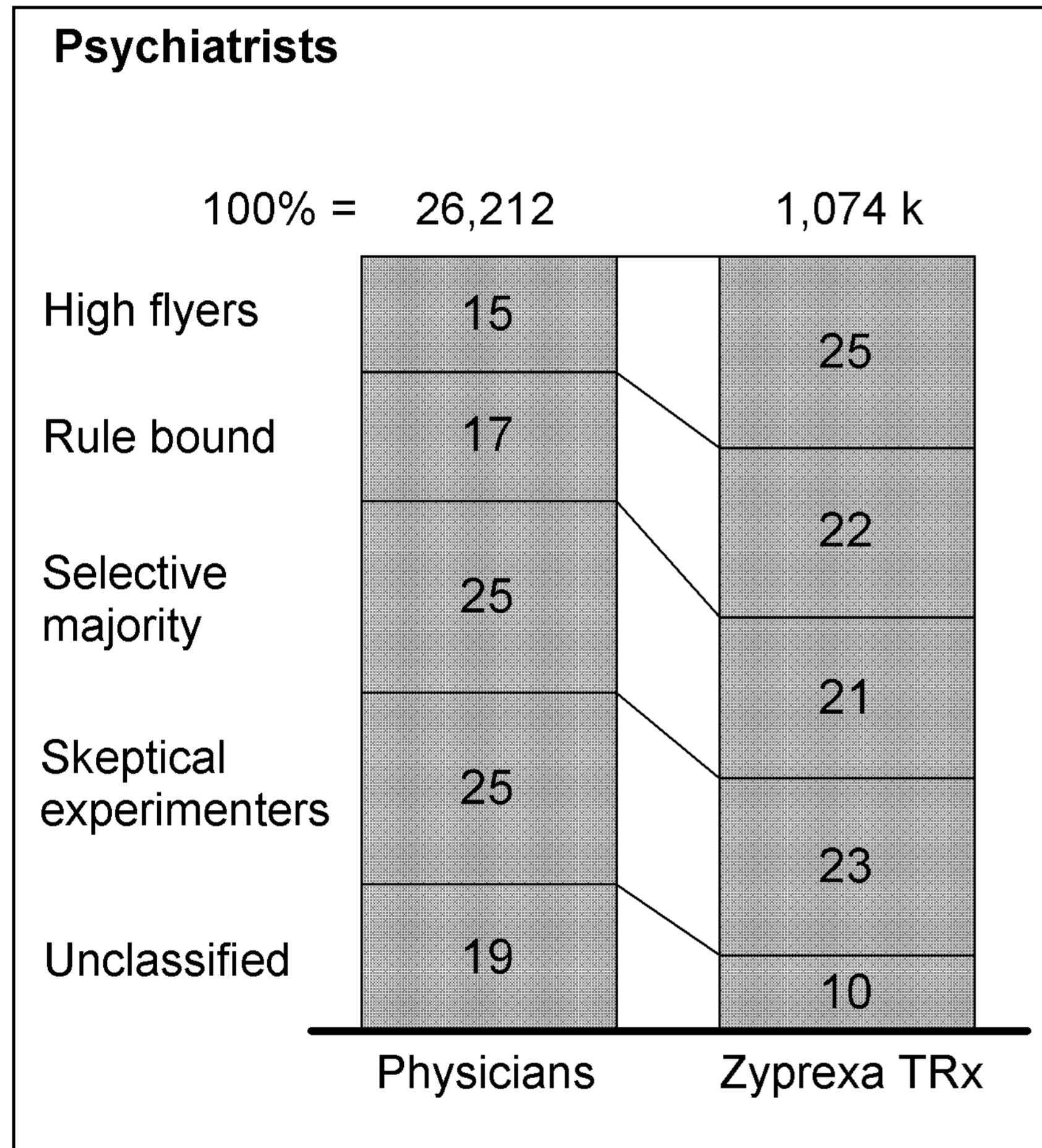
**ZYPREXA'S RETAIL VOLUME COMES PRIMARILY FROM PSYCHIATRISTS...**



- While a small percentage of the physicians, psychiatrists represent the vast majority of Zyprexa's retail volume

Source: TRx Mar – May '03, retail only

**... AND IS CONCENTRATED AMONG THE HIGH FLYERS AND RULE BOUND SEGMENTS**



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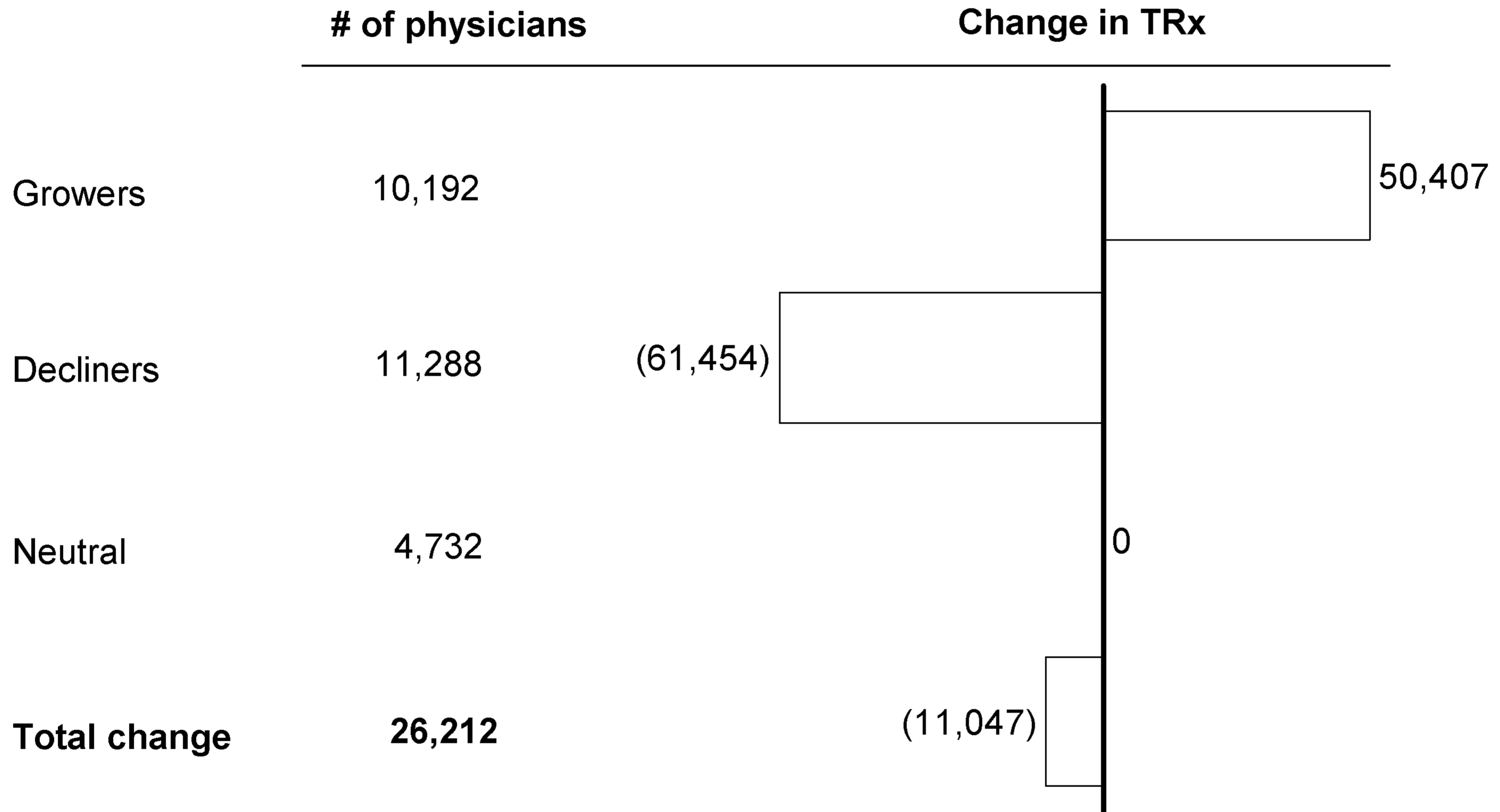
9,700 psychiatrists on the target list generate only 2% of Zyprexa retail psych volume

- Can more be done to strengthen the relationship with the top 3,000 prescribers?
- How important are the bottom 10,000 targets? Do they contribute significantly to Zyprexa volume through hospitals and institutions or should resources placed against them be re-evaluated?

Source: TRx data March-May 2003, retail only

**OVERALL ZYPREXA VOLUME DECLINED BETWEEN MARCH AND MAY 2003,  
WITH A LARGE NUMBER OF PHYSICIANS CONTRIBUTING TO THE DECLINE**

**Breakdown of psychiatrists by change in Zyprexa TRx**



Source: TRx data March-May 2003

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All others	23,329	(3,493)
<b>Total change</b>	<b>26,212</b>	<b>(11,047)</b>

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Source: TRx data March-May 2003



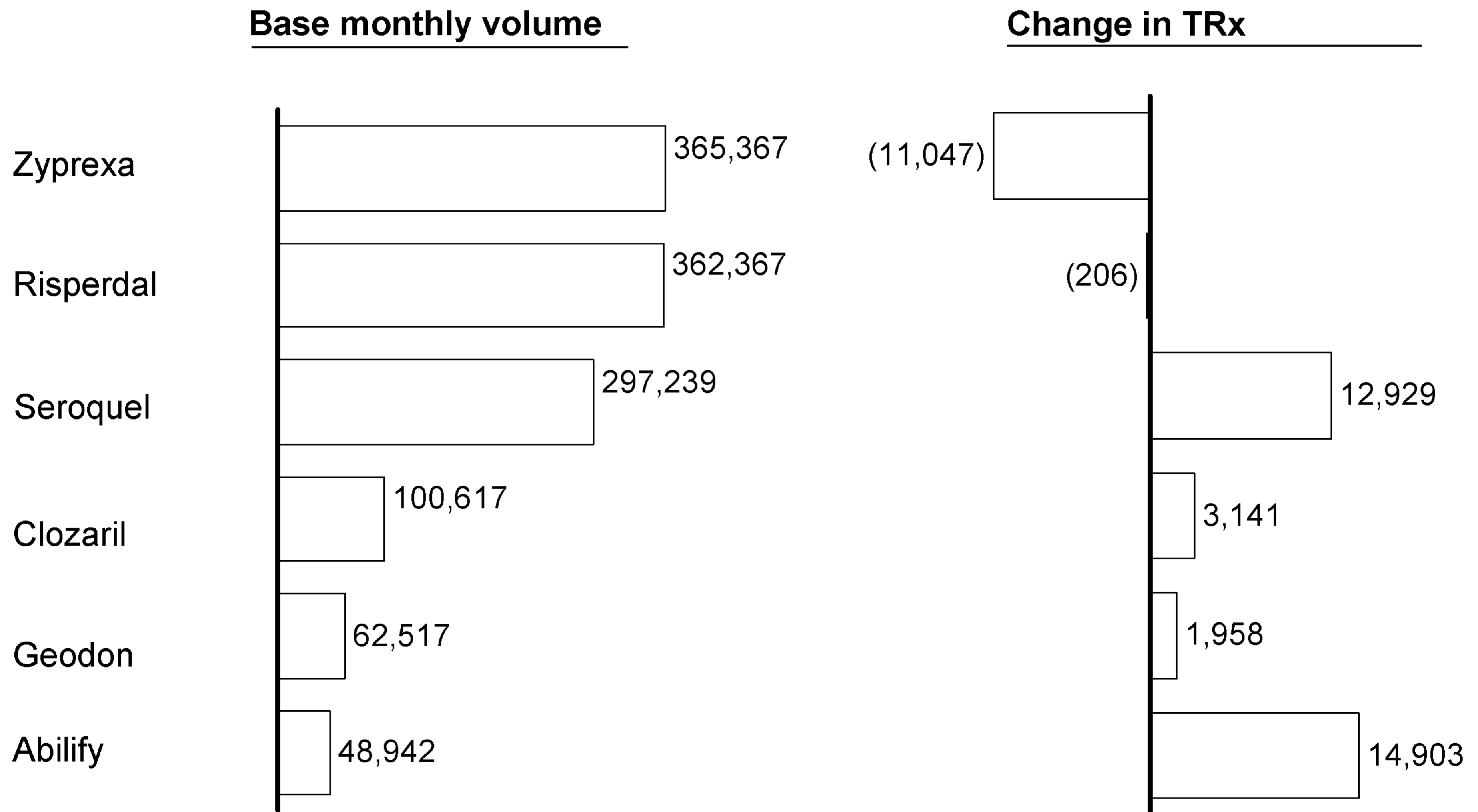
**750 PSYCHIATRISTS FROM THE HIGH FLYERS AND RULE BOUND SEGMENTS ACCOUNT FOR THE MAJORITY OF THE VOLUME LOSS**

**Breakdown of declining psychiatrists by segment**

Segment	# of physicians	Change in TRx
High flyers	378	(7,481)
Rule bound	369	(7,551)
Selective majority	356	(6,422)
Skeptical experimenters	331	(6,225)
Unclassified	191	(3,649)
<b>Subtotal</b>	<b>1,625</b>	<b>(31,320)</b>

\* Declining psychiatrists are those whose volume declined by more than 10 prescriptions over the three month period  
 Source: TRx data March-May 2003

**ZYPREXA'S DECLINE IN VOLUME APPEARS TO BE SHIFTING TO ABILIFY AND SEROQUEL**



Source: TRx data March-May 2003

# ABILIFY USE IS HIGHLY CONCENTRATED WITH A SMALL NUMBER OF HIGH PRESCRIBING PHYSICIANS

	<u>High Abilify volume : TRx &gt; 20</u>			<u>Low Abilify volume : TRx &lt; 1</u>		
	<u>Doctors</u>	<u>% of segment doctors</u>	<u>% of segment volume</u>	<u>Doctors</u>	<u>% of segment doctors</u>	<u>% of segment volume</u>
High flyers	695	18	69	1,164	30	-
Rule bound	353	8	57	2,104	49	-
Selective majority	187	3	41	4,064	63	-
Skeptical experimenters	404	6	52	3,215	50	-
Unclassified	120	2	39	3,520	64	-

**Total**

**1,759**

**7**

**56**

**14,067**

**54**

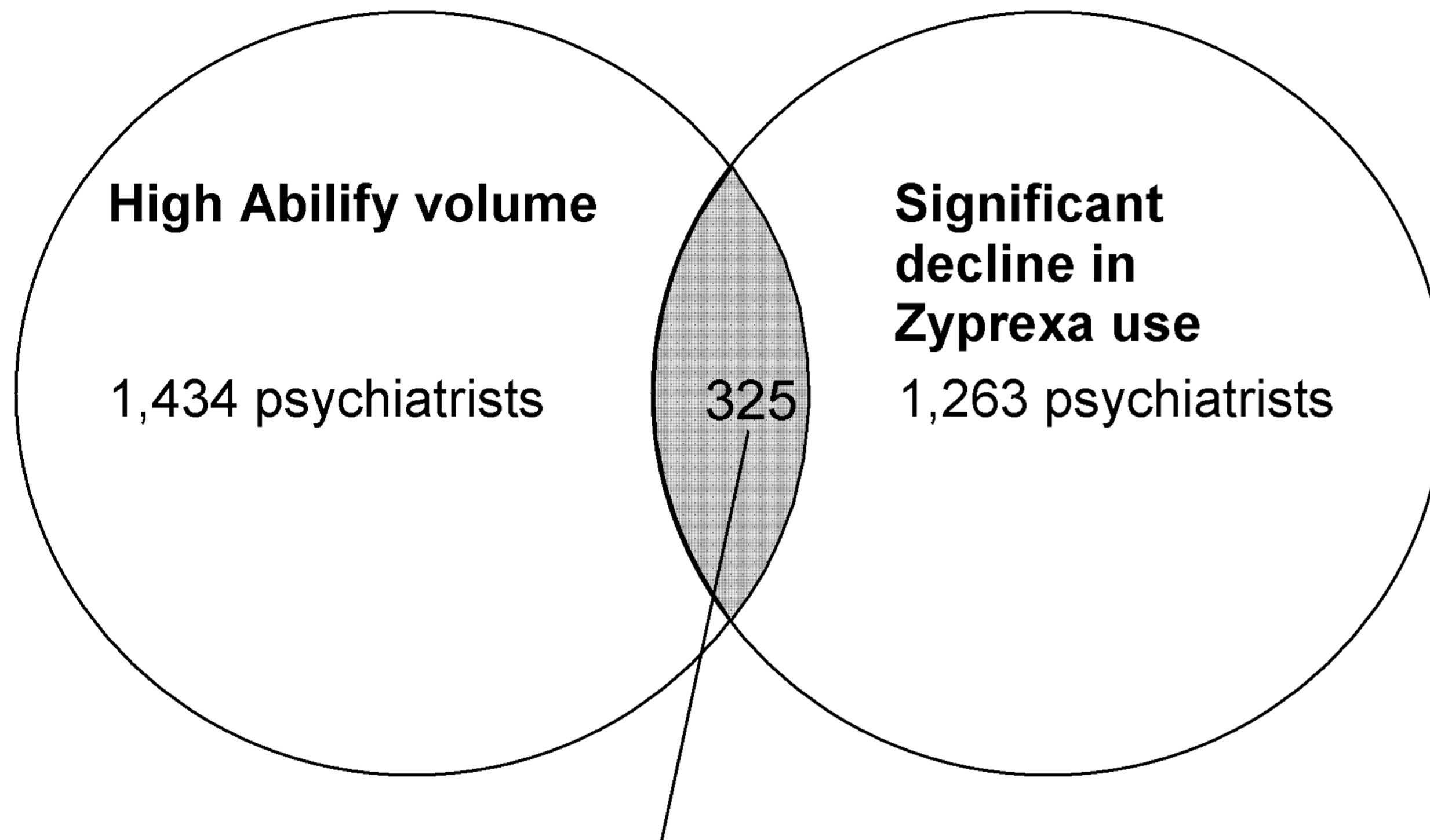
**-**

7% of psychiatrists accounting for 56% of volume suggests high use among accepting physicians

Majority of psychiatrists prescribed no Abilify over three month period

**HOWEVER, THERE IS LIMITED OVERLAP BETWEEN HIGH ABILIFY USERS AND ZYPREXA DECLINERS**

**Overlap between Zyprexa decline and Abilify use**



**Only 325 psychiatrists overlap between the the High Abilify users and Zyprexa Decliners**

- Of the 325 Zyprexa decliners/High Abilify users, 68% are high flyers or rule bounds
- The 325 physicians account for 10% of Abilify's total volume over the period
- These physicians present an opportunity to aggressively defend Zyprexa share given they account for a decline of 7,800 TRx versus the total decline of 11,000 TRx over the same period

**To:** CN=Saeed Ahmed/OU=AM/O=LLY@Lilly; CN=Thomas A Hardy/OU=AM/O=LLY@Lilly; CN=Ilya A Lipkovich/OU=AM/O=LLY@Lilly; CN=Patrick A Toalson/OU=AM/O=LLY@Lilly; CN=John Niewoehner/OU=AM/O=LLY@Lilly; CN=Robert W Baker/OU=AM/O=LLY@Lilly; CN=Virginia Stauffer/OU=AM/O=LLY@Lilly  
**Date:** 06/11/2003 12:00:39 PM  
**From:** CN=Vicki Poole Hoffmann/OU=AM/O=LLY  
**Subject:** List of Tough Questions  
**Attachments:** Tough Questions.doc

Attached is the list of tough questions we used for our meeting in April. We plan to use these again at the ML/CRP/TA training on June 24th. Please take a second look at them and let me know if you have any changes.

Thank you,

Vicki



Tough Questions.doc

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Associate Therapeutic Consultant  
Eli Lilly and Company  
Phone 317-433-0125  
Fax 317-276-7100

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## Tough Questions

### Diabetes

1. Does olanzapine cause diabetes?
2. How can you say olanzapine does not cause diabetes when obesity is a known risk factor for DM2 and olanzapine is known to cause weight gain?
3. Didn't Koller show definitively that olanzapine causes DM2 and kills people via DKA?
4. Are physicians putting themselves at risk for liability by prescribing olanzapine? (this question can also be qualified by adding "in patients with preexisting diabetes.")
5. Can I use olanzapine in patients with preexisting diabetes?
6. Is Lilly going to indemnify physicians for prescribing olanzapine?
7. Why shouldn't a physician choose a medication that has less impact on weight?
8. How does olanzapine cause diabetes?
9. What has Lilly done to address diabetes?

### Weight

1. What has Lilly done to address weight gain?
2. Wouldn't you want to avoid olanzapine in patients who are already overweight?
3. Will decreasing the dose prevent or reduce the weight gain?
4. You guys are promoting the higher dose, won't that make the problem worse?
5. Why shouldn't a physician choose a medication that has less impact on weight?

### Lipids

1. What has Lilly done to address dyslipidemia?
2. Are the effects on lipids and weight going to increase cardiovascular risk in the long term?

### Pancreatitis

1. Does olanzapine cause pancreatitis?
2. Doesn't olanzapine cause severe hypertriglyceridemia and can't that cause pancreatitis?

### General

Does Lilly promote off label?

{FILENAME \p}