

2010 audited Pharmaceutical marketing expenditure results published by Cegecim Strategic Data (CSD)

Growth in China, Latin America, Japan offset by significant declines in the USA and major European markets.

Paris, July 7, 2011 – [Cegecim Strategic Data](#) (CSD), leading provider of integrated healthcare research, has released worldwide audited marketing expenditure figures for full year 2010.

According to CSD, worldwide spending on sales force and other marketing channels edged up 1.5% to just over US \$91 billion at constant local currency exchange rates compared to full year 2009. Growth in China, Japan and Latin America was offset by cuts in sales and marketing in the USA and major European markets.

CSD audits pharmaceuticals marketing expenditure in over 30 countries, tracking sales force, sampling, meetings/events, clinical trials, DTC, e-promotion, print advertising and other marketing channels. GPs, specialists and pharmacists are covered with a pool of 200,000 healthcare professionals reporting their exposure to industry promotional activity.

Spending on meetings and other events saw an increase of just over 5% worldwide to US \$13 billion. This represents over 14% of global marketing spend. Use of events was up significantly in Japan (+14%), China (+19%) and Latin America (+18%). Meanwhile, spending was down in the US by 17% and Europe saw a decline of 7%.

Christopher Wooden Vice President for the CSD Global Promotion Audit commented: *"In emerging markets, the industry has quickly adopted the use of meetings and events as an efficient way to achieve high quality interaction with a maximum number of healthcare professionals. This augments one-to-one rep detailing as companies face the challenge of rapid growth and training demands."*

During the 12 months to December 2010, global spending on sales force promotion increased by 2.2% to US \$56.1 billion and represented over 61% of audited marketing channels. Cuts in US sales force levels were significant with several major companies cutting rep numbers by over 10%. European sales force levels saw significant reductions as well. Meanwhile in China, Latin America, and Japan many of the leading companies added reps for double digit growth.

Regarding recent trends, Christopher Wooden, added: *"There appears to be a broad trend in seeking scale efficiencies in the major western markets as 9 of the top 10 companies in the USA and Europe cut back on sales force levels. Among mature markets, Japan was a major exception with increased spending through 2010 despite flat reported sales. With patent expiry, limited R&D pipelines and accompanying industry consolidation, sales force and marketing in the mature western markets will likely be streamlined over the next few years. The future is clearly seen in Asia and Latin America."*

Global marketing expenditure among the leading ten companies nearly flat in 2010 but accounted for over 41% of total marketing investment – the same ratio as 2009. Three of the ten leading companies are American while five are European. Two Japanese multinational companies complete the top 10 for 2010.

*About Cegedim
Strategic Data:*

CSD is a leading Market Research company dedicated to the healthcare industry and operating worldwide. With over 36 years experience in the Pharmaceutical industry, CSD offers a comprehensive range of market research services and solutions to its customers, which include more than 50 global and 500 local Pharmaceutical companies. CSD integrates primary and secondary analyses with its medical expertise to meet its customer's research needs. To learn more, please visit our website: www.cegedimstrategicdata.com

About Cegedim:

Founded in 1969, Cegedim is a global technology and services company specializing in the healthcare field. Cegedim supplies services, technological tools, specialized software, data flow management services and databases. Its offerings are targeted notably at healthcare industries, life sciences companies, healthcare professionals and insurance companies. The world leader in life sciences CRM, Cegedim is also one of the leading suppliers of strategic healthcare industry data. Cegedim employs 8,500 people in more than 80 countries and generated revenue of €927 million in 2010. Cegedim SA is listed in Paris (EURONEXT: CGM). To learn more, please visit: www.cegedim.com

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