



February 12, 2009

# Fact Sheet

## Why Small Gifts Matter

**Reducing the Impact of Pharmaceutical Marketing to Physicians and Promoting Appropriate Prescribing and Drug Safety**

*The pharmaceutical industry spends nearly \$30 billion annually on marketing. The majority (including samples) is spent on direct marketing to physicians (Donohue, NEJM, 2007).*

*Nationwide, prescription drug spending rose to \$234.1 billion in 2008, almost six times the \$40.3 billion spent in 1990 (Kaiser Family Foundation, 2010).*

*This fact sheet was created in collaboration with*



It is sometimes argued that small pharmaceutical industry gifts are not important, because a physician cannot be bribed with a pen or a slice of pizza. But the evidence is clear: gifts, even small ones, change behavior. Such marketing drives up drug costs and sometimes puts patients at risk.

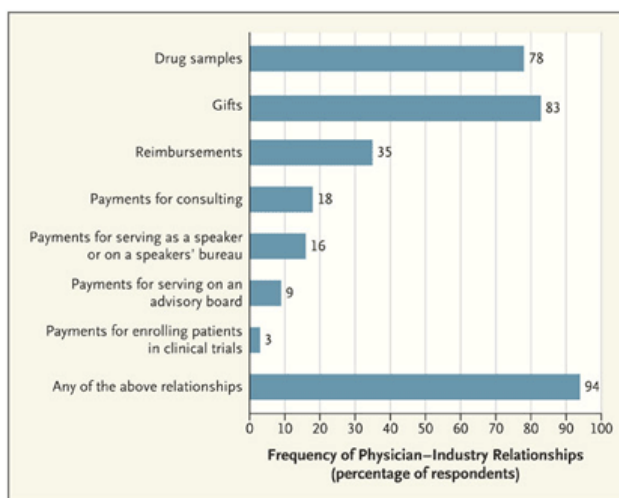
### The Power of Gifting

Social science research sheds light on industry/physician interactions. It shows that a gift of *any size* imposes on the recipient a sense of indebtedness. This need for reciprocity is a deep-seated human reaction. It creates in the recipient, whether consciously or not, a sense of obligation to repay favors, gifts, invitations, etc.<sup>1</sup>

Research shows that it takes *extraordinarily little* to bias an individual's interpretation and processing of information.<sup>2</sup> Such bias is both subtle and unintentional.

### Studies Show the Influence of Gifts

A comprehensive review of 29 empirical articles on the effect of industry interactions with pharmaceutical studies concluded that those interactions led to increased prescription drug costs, and also to non-rational prescribing in the sense that the newly prescribed drugs had no therapeutic advantage over the alternatives.<sup>3</sup>



Nearly all physicians (more than 90 percent) have some relationship with industry,<sup>4</sup> but studies show they often fail to realize the extent to which these relationships influence their own prescribing decisions.<sup>5</sup> Research suggests that self-serving bias cannot be eliminated through education about the bias. This is borne out in studies of physician/medical student attitudes, which find that while individuals are convinced that their positions and motives are pure, their peers' are not.<sup>6</sup>

### **Never "Just One Pen"**

During one six-week period, a medical resident reported being offered: "12 free breakfasts, 18 lunches, 16 branded pens, a branded eyeglasses cleaner, 2 pen-holder necklaces, branded pill holders, post-it pads, notepads, a pocket Physicians Desk Reference, correction paper strips, a coffee mug, a poster, a highlighter, a copy of the DSM-IV, a giant clip/fridge magnet, a ruler, a water/oil globe, a "History of Viagra" book, and even a Viagra soap dispenser."<sup>7</sup>

Shahram Ahari, a former Eli Lilly salesman, points out that drug reps never give just one pen or just one lunch. "I am in your office week after week, with a pen or a lunch. It is all about making you [the doctor] feel like I am your friend."

### **Common Sense**

Cumulatively, pharmaceutical industry lunches alone amount to about \$1 billion/year. Those costs are more than recouped by the effect on sales. Pharmaceutical industry marketing is expensive and sophisticated. No company would spend money on gifts – even small ones – if the expenditure wasn't effective. Small gifts are small ads: each is a branded reminder of the sponsor's product.

### **A Clear Conflict of Interest**

Pharmaceutical companies' fiduciary responsibilities run to their shareholders, and those shareholders expect a return on their investments. In contrast, the physician's fiduciary duty is to a single individual -- the patient. When a physician accepts a gift for personal use, no matter how small, it represents a conflict of interest. This is true *whether or not* the physician's judgment is affected.

### **Major Medical Organizations Agree**

After reviewing the available evidence, at least 20 U.S. medical schools now completely ban all gifts and meals, of any size or description.<sup>8</sup> The Association of American Medical Colleges, the trade association for medical schools and teaching hospitals, has similarly recommended a "no gifts" policy.<sup>9</sup>

### **Public Trust**

A recent survey showed that Americans understand the influence of gifts on prescribing: 52% of Americans believe that accepting gifts from the pharmaceutical industry influences how physicians make prescribing decisions (saying that the impact is either extremely large or large); another 26% believe these gifts have a

moderate influence.<sup>10</sup>

Respondents tend to disapprove of gifts to physicians, even small ones. 86% believe free dinners should not be allowed; 78% believe free lunches at the office should not be allowed; 70% believe free note pads and pens should not be allowed.

### Voluntary Codes Don't Work

Voluntary industry "codes" continue to allow for substantial gifting, even in the face of sustained criticism of industry marketing. But not every company endorses the voluntary codes, nor are there audit mechanisms or sanctions for non-compliance. Industry self-regulation has failed.

<sup>1</sup> Cialdini RB. *Influence: The Psychology of Persuasion*. New York: Quill William Morrow; 1993.

<sup>2</sup> Katz D, Caplan A, Merz J. All gifts large and small: Toward an understanding of the ethics of pharmaceutical industry gift giving. *The American Journal of Bioethics*. 2003;3:39-46.

<sup>3</sup> Wazana A. Physicians and the pharmaceutical industry: Is a gift ever just a gift? *JAMA*. 2000;283:373-380.

<sup>4</sup> Campbell EG, Gruen RL, Mountford J, Miller LG, Cleary PD, Blumenthal D. A national survey of physician-industry relationships. *N Engl J Med*. 2007;356:1742-1750.

<sup>5</sup> Chren MM. Interactions between physicians and drug company representatives. *Am J Med*. 1999;107:182-3.; and Madhavan S, Amonkar MM, Elliott D, Burke K, Gore P. The gift relationship between pharmaceutical companies and physicians: An exploratory survey of physicians. *J Clin Pharm Ther*. 1997;22:207-215; and Chimonas S, Brennan TA, Rothman DJ. Physicians and drug representatives: Exploring the dynamics of the relationship. *J Gen Intern Med*. 2007;22:184-190.

<sup>6</sup> Steinman MA, Shlipak MG, McPhee SJ. Of principles and pens: Attitudes and practices of medicine housestaff toward pharmaceutical industry promotions. *The American Journal of Medicine*. 2001;110:551-557.; and Sierles, F.S. et al. Medical students' exposure to and attitudes about drug company interactions: A national survey. *JAMA*. 2005;294(9):1032-42.

<sup>7</sup> Silver-Isenstadt J. National Physicians Alliance testimony to District of Columbia Health Committee (18 October 2007).

<sup>8</sup> AMSA PharmFree Scorecard 2008. [www.amsascorecard.org](http://www.amsascorecard.org) Accessed June 24, 2008.

<sup>9</sup> AAMC. Industry funding of medical education (Task force report). [https://services.aamc.org/Publications/showfile.cfm?file=version114.pdf&prv\\_id=232&prv\\_id=281&pdf\\_id=114](https://services.aamc.org/Publications/showfile.cfm?file=version114.pdf&prv_id=232&prv_id=281&pdf_id=114) Accessed June 24, 2008.

<sup>10</sup> Prescription Project survey. <http://www.prescriptionproject.org/newscenter?id=0062> Accessed June 24, 2008.