Debate

Direct-to-Consumer Advertising for Drugs

**ISSUE: Should direct-to-consumer advertising for prescription drugs be allowed?**

Anyone who watches television has likely seen commercials promoting the benefits of prescription medications. The pharmaceutical industry spends $4.8 billion in advertising aimed at consumers. Ads for prescription drugs constitute the largest category of magazine ads at $1.4 billion, with television taking the lead at $2.8 billion. This type of advertising is regulated closely by the Food and Drug Administration (FDA). Interestingly, the United States and New Zealand are the only countries where direct-to-consumer (DTC) advertising of prescription drugs is allowed.

Because prescription drugs have harmful effects if not taken appropriately, the FDA has instituted a number of requirements when marketing these drugs. For instance, all DTC prescription drug advertising must include the drug’s risk information. Additionally, the FDA exerts oversight to ensure that the ads are fair, truthful, and balanced. The industry itself has adopted self-regulatory measures including advertising guidelines. One measure that pharmaceutical firms such as GlaxoSmithKline and Eli Lilly have adopted is to include the line “ask your doctor for more information” in the ads so consumers are encouraged to turn to professionals for advice.

Despite attempts at self-regulation, DTC advertising has generated heavy criticism. In fact, the American Medical Association (AMA) has even called on a ban for DTC advertising for prescription drugs. Many medical professionals complain that DTC advertising is leading their patients to request medications that may not be the healthiest or most effective alternative. This, they argue, has led to medications being indiscriminately prescribed because consumers are coming in to their doctors demanding medications without the proper knowledge of all the potential negative effects. Research shows that medications featured in DTC ads are prescribed nine times more than those that are not featured in these ads. There is evidence to suggest that indiscriminate use of prescriptions is more common in the United States than in other countries. For instance, in the United States a stimulant for Attention Deficit Hyperactivity Disorder is prescribed 25 times more than in Europe.

A major concern for the AMA is the belief that DTC advertising is leading to higher costs for medications. The organization argues that many of the advertisements market new and expensive drugs. The ads can influence consumers to ask for drugs they cannot afford even though lower priced alternatives may be available. Another concern is that many of these drugs have only recently been released. Opponents are concerned that pharmaceutical companies are promoting these drugs when the side effects are not thoroughly understood.

Opponents also believe that the motivations of pharmaceutical companies are suspect. They feel that DTC advertising is being used to spur demand and sell more products rather than acting as a way to educate consumers and help them choose the best options. Finally, although the FDA reviews the ads to ensure they are truthful, a study revealed that approximately 95 percent of the DTC ads use emotional appeals. This has led to concern that consumers might allow their emotions to influence their decisions on prescription medication rather than the rational information presented in the ad.

This material was developed by Jennifer Sawayda under the direction of O.C. Ferrell and Linda Ferrell. It is intended for classroom discussion rather than to illustrate effective or ineffective handling of administrative, ethical, or legal decisions by management. Users of this material are prohibited from claiming this material as their own, emailing it to others, or placing it on the Internet. (2016)
On the other hand, DTC advertising has many advocates. Perhaps the biggest argument in its favor is the fact that it can educate consumers about not only important drugs but also about diseases they can ask their doctor about. It is also possible that viewing DTC advertisements on prescription drugs encourages consumers to visit their doctors more, although there seems to be debate on whether this is really the case. Even physicians acknowledge, however, that patients are asking more thoughtful questions about health and medication after viewing a DTC ad (although they acknowledged that the patients did not often understand the risks well). According to proponents, by becoming more informed, patients and doctors become more like partners in determining appropriate action. The major idea behind this concept is that consumers should have the right to make their own decisions about their health with a doctor’s counsel and appropriate information.

Studies also support the fact that patients who understand the condition and the medication—becoming more of a partner to the doctor in the treatment process—are more likely to adhere to directions so that they receive better health outcomes. Also, proponents argue that DTC ads can help remind consumers to get their prescriptions refilled. It would seem that despite the heavy criticism of DTC ads, many still believe they are beneficial. A Kaiser survey revealed that more than half of respondents believe prescription drug advertising is beneficial and does a good job of informing the audience.

The biggest hurdle opponents will need to overcome, however, is the fact that pharmaceutical firms have a right to free speech, which includes advertising. In order to institute a ban, DTC advertising must be shown to have a detrimental impact on society to justify it requiring regulation. This has led some to request a compromise. For instance, one compromise recommended is for pharmaceutical companies to wait a certain amount of time after a new drug has been released so the side effects can be thoroughly explored. The FDA is also working with pharmaceutical companies to ensure consumers get the best information. For instance, they are working on more consumer-friendly advertising that offers simple information instead of a long list of fine print that consumers rarely read.

---

There are two sides to every issue:

1. DTC advertising of prescription drugs should be banned because it leads to higher costs and the indiscriminate use of prescriptions that could harm consumers.

2. DTC advertising of prescription drugs is ethical because it leads to more informed consumers who can partner with their doctors to find the best treatment plans.

---

Sources:
U.S. Food and Drug Administration, “The Impact of Direct-to-Consumer Advertising,”
U.S. Food and Drug Administration, “Keeping Watch Over Direct-to-Consumer Ads,”