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# OTC Innovation In An Age Of Pandemics – Q&A With Stada's New R&D Head Stephen Makin

by [David Ridley](#)

COVID-19 has shifted consumer health behaviour towards prevention and general wellbeing. However, finding out what consumers actually want and need is still the essence of good OTC innovation, according to Stada Arzneimittel's new vice president of consumer healthcare product development Steve Makin.

We may be entering an “age of pandemics,” according to Ebola co-discoverer and “Mick Jagger of microbes,” Peter Piot, who now serves as special adviser on the coronavirus to the European Commission president, Ursula von der Leven.

This will not be good news for consumer health companies, whose research and development plans for 2020 have had to be thrown out of the window thanks to the sudden appearance of COVID-19 earlier this year, and are now having to adapt to an unpredictable and turbulent “new normal.”

HBW Insight caught up with Stada Arzneimittel's new vice president of consumer healthcare product development, Steve Makin, to find out how consumer health companies are managing to innovate in this challenging environment.



STADA ARZNEIMITTEL'S VICE PRESIDENT CONSUMER HEALTHCARE PRODUCT DEVELOPMENT, STEVE MAKIN

For Makin – a UK qualified pharmacist, and fellow of the Royal Society for Chemistry, the Royal Pharmaceutical Society and the Royal Society of Arts – the coronavirus has accelerated a long-term trend towards illness prevention and wellness among consumers.

While consumer health companies must respond to this new emphasis on general wellbeing, Makin argues that the core principle of successful innovation – to find out what consumers actually want and need, and start with this, rather than with a prefabricated product or idea – remains the same.

**Q Can you tell us a bit about your new role at Stada?**

**A** I was brought into Stada and Thornton & Ross as the head of product development for the consumer healthcare business. My role actually covers a number of different of product development sites. Although Thornton & Ross, where I'm currently based, is one of the key ones, there are consumer healthcare product development sites in

Germany, Russia, Austria and the Czech Republic. Due to current circumstances, I probably spend a disproportionate amount of time on Thornton & Ross now. I'm trying to remedy that. There's a massive opportunity at Thornton & Ross in terms of the brands and the heritage that they've got. I've been qualified as a pharmacist for 30 years now, and I've worked for a community pharmacist for most of my career.

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So, I've grown up with many of these brands and they have such a heritage amongst pharmacists and amongst consumers as well. Thornton & Ross has done a really good job done in terms of innovation. With Hedrin, for example, which is the UK's leading head lice treatment, Thornton & Ross developed a new way of achieving head lice control, which was invented, patented, developed and launched from the Huddersfield site. But there's still quite a lot that we could be doing. When I say innovation, I'm not just talking about product development either. Innovation could be new claims, it could be new ways of visualizing or bringing to life the science for the consumer, it could be new packaging, it could be new formulations, it could be a whole host of different things. Therefore, bringing that approach, taking a holistic view of innovation across some of our brands is really important.

#### **Q** How is the coronavirus impacting innovation?

**A** The coronavirus pandemic has changed consumer behaviour in a variety of ways. In the first instance, people want to ensure that their medicine cabinets are stocked adequately. However, at a more fundamental level perhaps, people are also taking a

more holistic approach to their health. This is a long-term trend, and I've been talking about this for years, but I think it's something that the coronavirus crisis pandemic has accelerated. The pharmaceutical industry essentially treats the human body like it's a machine. If a bit of the machine breaks down, you introduce a molecule and you fix that bit of the machine. It's quite executional and health is defined by the absence of disease. But that's not the way that consumers feel. Consumers know when they have a feeling of being healthy, a feeling of wellbeing and that's distinct. People are much more conscious now about their health, whether they smoke, whether they are overweight, and they take a more proactive approach in managing their wellbeing, whether that's taking things prophylactically or preventatively, as in the case of vitamins or probiotics. This is a journey that people have been on for a few years, but this has accelerated significantly in the last few months.

**Q How important are brands in a situation like COVID-19?**

**A** If you look at the birth of consumer health brands, it was all based upon trust. One of the first consumer health brands in the world was Sunlight soap from Unilever, this was a hundred and odd years ago when people didn't have washing machines, they used to do the washing by hand and they used to buy a block of soap and then they used to grate it. The quality of that soap varied from week to week depending on where you bought it. All that Unilever or Lever Brothers did at the time was guarantee the quality of their soap, stamping it with the Sunlight brand. You could trust that when you bought that brand you would get consistent performance. I think sometimes that's forgotten.

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Brands stand for a lot of things in the minds of consumers. There's a lot of emotion and perception associated with certain brands. However, the fundamental thing is trust, people need to trust those brands implicitly if they are going to part with their hard-earned money to buy it and assume that it is going to work for whatever indication or problem they're buying it for. It appears that people are defaulting in very uncertain times to those brands and those companies that have some heritage, a track record and brands that you can trust. Thornton & Ross is uniquely positioned, certainly in the UK, for that and Stada elsewhere for some of the brands that we've got in other markets.

**Q Has the innovation process itself changed because of COVID-19?**

**A** The fundamental process of innovation is the same, despite the coronavirus. Innovation is based upon consumer insight, which means identifying a need or a requirement that consumers have that isn't currently being met by the products that are available. Identifying and teasing out those insights is an absolute priority. I've worked in R&D for a long time and I've seen plenty of times when an innovation has been technically elegant, maybe patented, maybe difficult to manufacture, but without that consumer insight, has failed in the marketplace. But I've also seen the opposite where an insight has been taken and it's been translated into a product brief, and the product has flown in the marketplace. With the coronavirus pandemic, there are insights coming through now that we can and are utilising. A sizeable part of our consumer health portfolio in Thornton & Ross is in dermatology. If you look at the sorts of habits that are being adopted during the pandemic, people are disinfecting their homes more often, people are obviously washing their hands more often and we know for a fact that as people are washing their hands more often, people are suffering from dry skin. Where previously there may not have been a need for a highly moisturising hand wash, for example, now there is. People are washing their hands a lot more, and we have the wherewithal, the technical knowledge and the brands to meet that need. Those are the sorts of insights that are emerging now as a direct consequence of the coronavirus pandemic and there will be more.

