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Vynamic Insight

New Opportunities Are Opening Up in Product Launch

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Pharmaceutical and healthcare companies need more transparent, collaborative, and cost-effective launch strategies and go-to-market plans in place for their product launches.

The pandemic has been a driving force for changes across many areas of the pharmaceutical and healthcare industries over the last year, but there have been other factors at play, including:

INCREASED PRESSURE TO SHORTEN TIME TO MARKET FOR DRUG DEVELOPMENT

As we've seen with the development of COVID vaccines, the FDA's timelines are condensing to ensure life-saving treatments are made available faster. But this isn't a new phenomenon, in 2018 alone a record 43 drugs were approved via various fast-track programs, representing 73% of new drugs approved by the FDA that year[1].

There has also been a focus on fit-for-purpose launches based on a product's indication trajectory, which help to ensure more efficient and effective use of resources. These launches have also enabled stronger cross-functional strategic and tactical alignment across functions such as medical, development, market access and commercial[2].

AN INCREASINGLY COMPETITIVE MARKETPLACE

The continued drive to get drugs to market faster has inevitably led to an increasingly competitive marketplace. In 2020, worldwide pharmaceutical revenues totaled $1.27 trillion U.S. dollars[3], and this growth is set to continue rising.

As clinical trial pipelines continue to grow into niche higher-value therapeutics[4], we can expect more startup innovators to enter this increasingly competitive space.

THE ESCALATING COST OF DRUG DEVELOPMENT

Another driving force behind these changes is the increasing cost of drug development. Currently, it costs around $2.6 billion USD to develop each FDA approved drug[5], with this cost escalating by roughly 3% year over year. Research and development areas contribute the highest to these costs, with 17% of revenue spent on R&D efforts[6].

These heightened costs lead to uncertain returns on investment, meaning that stakeholders may be more likely to invest in drugs within established markets.

LIMITED AND/OR DECREASING ACCESS TO HCPS DUE TO COVID

The pandemic catalyzed a wholesale shift in preference away from physical to virtual engagement. Before COVID-19, the majority of meetings with pharma sales reps were held in person. During the pandemic, we saw virtual engagements begin to dominate HCP-rep interactions.

Physical access remains limited and it's highly likely that physicians will restrict who can enter their office for professional reasons in the long-term. As such, the relationship between HCPs and pharma sales reps will require ongoing innovation and investment in digital approaches to create meaningful connections.

WHAT DOES THE FUTURE HOLD?

There are many factors at play that will see the evolution of future pharma product launches, including:

- **Data-driven decision making** – a wealth of data is now available that was not before, such as increased FDA receptiveness to real-world evidence[7], which will help predict behavior while providing recommendations on engagement touchpoints.
- **Moving away from traditional marketing tactics** – omnichannel approaches have opened up new opportunities to optimize marketing efforts across all channels
- **Leveraging AI** to drive a more robust understanding of unmet needs by capturing behavioral and attitude changes while improving commercial performance across product launches
- **Sales teams will leverage digital channels** a**nd analytical insights** to become more effective
- **Increased coordination** between Marketing and Sales teams
- **Innovative patient channels and services** to facilitate diagnosis, treatment choice, and administration

NEW OPPORTUNITIES ARE OPENING UP

While there are challenges to overcome, new opportunities are already opening up and regulators are proactively searching for new ways to get therapies to patients in need in a timelier manner.

Within Oncology, the FDA has launched Project Orbis[8], a collaboration among international regulators to help cancer patients receive earlier access to products in other countries where there may be significant delays in regulatory submissions – regardless of whether the product has received FDA approval.

In an effort to expand R&D pipelines, pharma companies are evolving how and who they bring therapies to market with. For example, companies now manage risk and costs by co-promoting products with other pharma companies. Some pharma companies are also exploring combo therapy clinical trials to reach new patient populations, with one recent example being the use of combo therapies to treat ovarian cancers[9].

The evolution of data-driven marketing is reshaping how pharmaceutical companies reach patient populations – such as AI to help drive market segmentation for healthcare providers and patients and gain a greater understanding of a disease.

Vynamic and the Ashfield Advisory ecosystem are experts in helping businesses navigate many of these challenges, unlocking new opportunities in the market, and realizing the immense potential of their therapies – from the past, present and future.

To explore how Vynamic can help your organization achieve its goals, please contact Product Launch Service Leads Ashley Stanley and Brian Stamm.

Interested in learning more?
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END NOTES

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