

**Data & Creativity:
A Complete Guide
To Mastering
Drug Launches**



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INTRODUCTION

This eBook offers the most innovative ways to respond to the change in attitudes in the pharma industry, with a data-driven approach to the brutal competition faced by new drugs on the market.

Due to gradual changes in the market, the initial launch is more important than ever, and a single, unvaried strategy is no longer enough. Most companies are launching higher numbers of similar drugs each year, making the market increasingly competitive. To give your product an advantage from day one, impeccable R&D is just the first step on a trajectory of success.

Becoming a launch expert requires both creativity and comprehensive data at your disposal, helping you prove the value of new drugs even when circumstances are constantly changing.

This eBook highlights today's best practices and provides a straightforward guide to creating outstanding drug launches. It offers the latest tools and strategies available to handle the competitive market, and ensures you're well equipped to become an expert in drug launches, with the right techniques, such as:

- ✓ Matching drugs with four different launch types, giving your products the best chance of success in today's fast-paced environment.
- ✓ Creating a dedicated launch factory, prepared to meet challenges and opportunities head-on.
- ✓ Gathering a wide variety of data types, and finding the balance between small details and a view of the bigger picture.

These techniques are just some of the key tools this eBook explores to help make your product stand out from its competitors. They provide pharma companies with ways to keep their research, marketing and sales teams on the same page, expand their data sources for more predictive insights and even reach larger pools of doctors to easily find the best prescribers among them.

To put it simply, it is no longer enough to be aware and informed of current trends in the pharma industry. If you want a drug to pull through its initial release, you need to master drug launches as a unique and dedicated area of expertise.

So, let's get started with a few words on why drug launches play such a pivotal role in the drug's life.

CHAPTER 1:

WHY IS THE LAUNCH SO IMPORTANT?

The best time to set the tone for a drug's long term performance is during the first six months after its launch.¹ Drugs that don't meet forecasts right away are also likely to under-deliver for the next two years.² Perfecting your launch strategy by employing strategic data analytics and creative thinking goes a long way toward success in a challenging market.

Make sure you are up to date on the most recent trends in this area. Governments and payers are beginning to restrict drugs' access into the marketplace based on cost-benefit analyses and this movement is only likely to intensify as budgets tighten around the world and the US Affordable Care Act goes into effect. In Europe, between 60% and 90% of drug launches already face roadblocks due to lack of perceived differentiation or cost-effectiveness.³

Nevertheless, pharmaceutical companies are releasing more drugs, more frequently than ever, focusing on specialty drugs rather than major blockbusters. In the next three years, more than double the number of new treatments will enter the market compared to a

BY THE NUMBERS

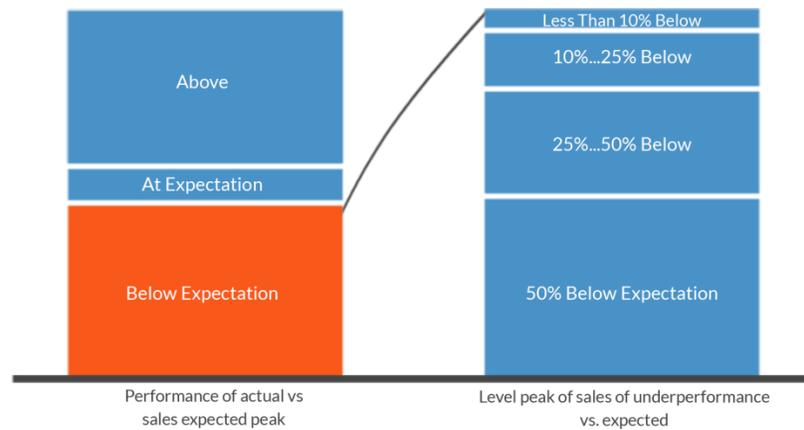
85% of launch trajectories are set within 6 months

50% of launches meet expected sales

60-90% of European launches face entry blocks

decade ago.² This makes the market much more competitive, giving you even more reason to focus on launching with a creative, knowledgeable team.

Half of all launches do not achieve expected peak sales



Sources: EvaluatePharma (as of October 2012); Bain analysis

CHAPTER 2:

HOW TO BECOME A LAUNCH EXPERT

Know Your Product

Even before a new drug is available on the market, there are numerous ways you can prepare for the launch and avoid unforeseen snags.

The most important undertaking is getting to know your own product, in-depth and from every angle.

You can begin as much as a year or two before your intended launch date by examining the lay of the land in the target market and where the product will fit in amongst its competitors. McKinsey & Company have identified four categories in this area:

1. Drugs which are clearly different from their competitors and treat difficult and familiar diseases. These are the easiest to promote.
2. Drugs launched into more competitive markets and which are only moderately different from the drugs that are already available. These make up the majority of launches.
3. Drugs that attempt to create new categories by trying to reach untapped markets, even if the target audiences are small.
4. Drugs that provide limited added value to small target audiences.² These are the most difficult to launch.

By identifying a new drug's category, marketers will be establishing a strong foundation on which to make strategic decisions. Sales teams benefit from even more detailed information about how the drug compares to its competitors in clinical trials. This means that truly comprehensive launch preparation should include

the clinical trial team. They will be able to look for sub-indications and specifically test for factors that are conditions for acceptance for new drugs. They can even give the sales team a big advantage by running tests directly against competitors instead of placebos.⁴ All of this information can then be included in the product profile.³

Of course, one of the defining features of the new therapy will be its price, which will take all of these disparate elements into account.³

DRUG LAUNCH TIP #1

Look at the big picture.

A few pieces of data may be most relevant to your launch, but they are influenced by many additional factors you should be monitoring.

Know Your Customers

Understanding your product and its market are important big-picture steps, but ultimately your customers are individual patients, prescribers and payers.

Patients

As the drug's end-users, it's clear that patients' needs are paramount. A satisfied customer is one who takes the drug correctly, has no problems paying or getting reimbursement, and has clear indications

that the drug is working. Even beyond creating an effective therapy, there are many steps a pharma company can take to ensure that all of these criteria are fulfilled.⁶

AT A GLANCE

Things to Know About Your Customers

Patients

Income

Education

Compliance

Treatment Path

Prescribers

Practice Type

Location

Prescribing History

Payers

Prescription Records

Financial Status

Available Payment Plans

Use information about patient lifestyles to identify what additional services may be helpful, such as funding support, new compliance and delivery methods, patient education and monitoring.⁶

Prescribers

Knowing the prescribing physicians well allows drug companies to target those who are most likely to prescribe new drugs. Fortunately, it is now possible to collect data about all prescribers and not just the ones with whom company representatives already have relationships. Using past prescribing information, you can identify new doctors most open to new treatment methods. This "Innovativeness Score" can also take into account

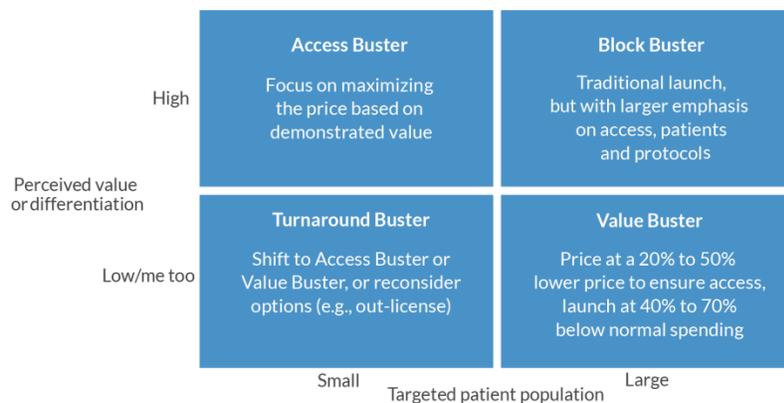
data such as age, size of medical practice, and location, allowing your sales teams to bring the most targeted, tailored approach to every sale.¹

Payers

Extensive data is also available about individual payers. Companies can use data sources such as disease incidence rates, prescription records and publicly available financial statements, to identify payers' affordability levels. This helps predict which payers are likely to include the new drug in healthcare plans, and you may be able to encourage them to do so by offering discounts for payers with particularly tight budgets.

Four Launch Types

Once you have gathered as much information as possible about the new drug, its market, and its customers, you can begin creating a launch strategy. In today's market, a single, uniform strategy across all drug launches is unlikely to succeed in most cases.¹ Instead, it's important to customize and target each pharmaceutical launch to match the strengths and weaknesses of each product. Bain & Company suggests four different approaches to new drug launches:³



Source: Bain & Company

1. Block Buster

This is the traditional launch that aims for overall success. It can work well for new drugs that are very different from everything on the market, are cost-effective, and target large patient populations. However, unless a drug fulfills all of these criteria, aiming for this type of launch can lead to an inefficient use of resources.³

2. Value Buster

Companies can lower their price point for drugs that are similar to competitors and released into crowded markets. You may not be able to afford the same marketing costs, but a price 30% lower than similar products will probably speak for itself.³

3. Access Buster

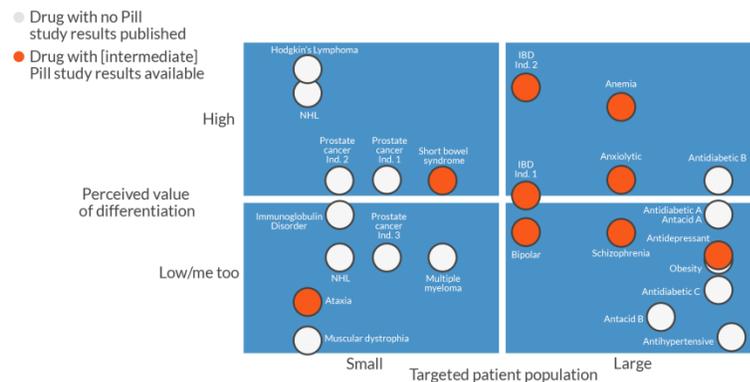
This approach involves proving that the drug offers excellent value to a very specific target population. Even a small patient population can make a launch successful if the product is unique enough and therefore allows for relatively high prices.³

4. Turnaround Buster

This is by far the most challenging type of launch. It is largely for drugs with low differentiation and small patient populations. For this type of product, you will need to find new ways to create differentiation. If you can't make the price lower than its competitors, consider going back a few steps. Further clinical trials may be able to prove higher success rates than competitors or focus on different indications. The ultimate goal is to turn this type of launch into a Value Buster or Access Buster launch.³

With today's high launch volume, most companies have products that fit all four descriptions. By having products with different commercial focuses, companies give themselves a diverse and well-balanced product portfolio. However, this also reinforces the need for a varied, flexible approach to product launches.³

Example of a major pharma company's late-stage pipeline



Sources: EvaluatePharma; clinicaltrials.gov; medical databases and publications; company reports; Bain analysis

Leverage Real-Time Data for Flexibility

Even with a carefully planned strategy, any drug will meet unexpected obstacles after launch. But with good preparation before the launch, these obstacles can be avoided with the help of data monitoring and contingency plans. Once again, the key is effective data collection and analysis.

Besides internal data sources like sales information, companies can collaborate with a wide range of other organizations that collect independent data from different sources. This includes payers and prescribers, in addition to third party data collection companies such

as iKnowMed™, a company that monitors community-based oncology practices across the US in real time, and provides instant information on individual prescriptions and related claims. This kind of instant information can help identify problems earlier in order to adjust launch plans.

DRUG LAUNCH TIP #2

Cooperate.

Division of labor across different departments is good, but make sure that everyone shares information and knows what everyone else is up to.

Additionally, you can consult with academics and healthcare providers such as hospitals. Many of these organizations are just as interested in understanding patient pathways and have easy access to information that is not available to pharmaceutical companies. On the other hand, pharmaceutical companies often have analytical skills

and infrastructures, as well as financial resources, well beyond those of researchers and healthcare providers. Joint efforts can combine these advantages to gain a complete picture of how the drug is being used and by whom.¹

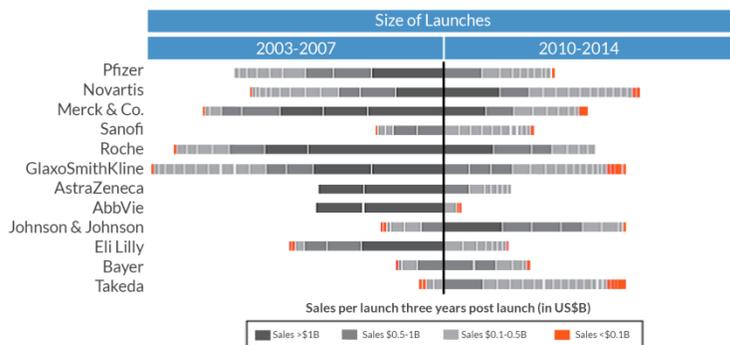
Once you have a complete inventory of available data, make sure to set priorities based on the information's impact level. Not all of it will be relevant. The earlier you can identify problem areas, the sooner marketing and sales teams can correct the launch trajectory.

Build a Launch Factory

Bain & Company recommends establishing a dedicated team which can gain expertise in the needs and patient pathways of each drug in order to prepare for changes to the original launch plan. This helps generate a comprehensive view of the proceedings, since very often information does not travel easily between separate sales, marketing, and business development teams, as outlined in a 2014 Verix whitepaper.³

Most importantly, this will let you hone your expertise over a growing number of launches. Instead of recreating the process from scratch for each new drug, the launch factory will be able to pull out "factory-ready" strategies which can then be customized for each drug quickly and easily.

The market expects many smaller launches



Note: Only launches with reported sales [06-10]/sales estimates (13-17) included
Sources: EvaluatePharma; Bain analysis

How to Build Your Launch Factory:

1. Examine the company's insight capabilities and organizational structure, in order to understand the strengths and weaknesses of the current launch protocol.¹
2. Choose a single location into which data can be funneled from all parts of the organization.
3. Select experts from throughout your company to operate the launch factory. Include people with expertise in marketing and sales, data analysis, medical research, regulations and payer requirements.
4. Provide the launch factory with the tools to visualize launch data, and the authority to quickly alter launch plans when a problem is found.

Using Data to Fine-Tune Your Launch

All of this preparation will show its worth after the initial launch. Through early detection of drug distribution patterns, pharmaceutical companies will be able to take course-correction measures or even to identify new approaches to marketing products. This is all done through careful data collection and analysis.

Ideally, methods for gathering data sets will have been implemented long before the launch itself. Claims, clinical information and even social media data can all be used to trace a drug's reception in the market. Of course, access to data varies greatly.

As the data set grows, it is important to monitor it closely and know what to look for. Use specific and unique information from a variety of

perspectives to create a single comprehensive profile of each customer.

You should also break the data down at various levels, including localities, indications and by individual patient and prescriber. This should help you assemble a more accurate profile of those patients who are

actually receiving the new drug, which will help you measure your progress against the growth and life cycle of key assets in order to make the long-term success of the business more sustainable.

You can now interface with physicians about new patient cohorts that should be receiving the drug, or try to change perceptions of the drug that have been limiting its prescription to niche populations. Real-time data monitoring should be able to identify obstacles such as unexpected side-effects, competitor actions, or payment snags. Some of the data may even be helpful to customers and can be folded into existing marketing material.¹

DRUG LAUNCH TIP #3

Keep Up.

Always use the latest data, most complete information and most up-to-date metrics and key performance indicators (KPIs).

CHAPTER 3:

DATA IN ACTION

Although the amount of data available to pharma companies has only recently expanded and many are still trying to learn how to deal with the change, there are already launches that have shown the success of the principles discussed here.

DRUG LAUNCH TIP #4

Avoid Cookie-Cutter Analytics.

Make sure that the data you are using is the data you need for the specific individual launch.

Biogen's Tecfidera had a very successful launch in April 2013. When the drug ran into reimbursement issues after launch, the company was aware and able to quickly mitigate the effects by offering the drug free to any patient who had waited more than two weeks for reimbursement. Novo Nordisk best demonstrated

the principle of cross-company flexibility by transitioning sales teams between drug launches and Bristol-Myers Squibb used a number of these ideas when it set up discounts for Yervoy in the UK and attempted to expand the drug's target population even after the launch, by testing it in combination with other drugs.⁷

Bayer US provided an even more striking example when they successfully launched two new high profile oncology drugs using Verix's New Product Launch Application. In the past, Bayer had used a total of 11 reporting systems that could not keep up with the rapid pace of the business. Verix's application provided the company with

“clear actionable insights and a consolidated view of the business – all based on a single version of the truth across commercial operations.” Verix’s New Product Launch application provided Bayer with KPIs measuring Managed Markets, sales forecasting, and call detailing activities.⁸

Most importantly, with the improved analysis and visualization, Bayer saw significantly higher usage of their data throughout the organization. Besides extensive time-saving across commercial operations, the company also saved over \$2.5 million on change requests.⁸

CHAPTER 4

CONCLUSION

Review

In order to execute consistently successful drug launches, pharmaceutical companies must move toward a data-driven cross-disciplinary approach. There are a number of key elements to maximizing a modern drug launch:

- ✓ Gathering as much information as possible, not just about the product, but also about the patients, prescribers, payers and competitors.
- ✓ Identifying and marketing the element of each product that adds value to the market, rather than marketing all products similarly.
- ✓ Preparing ahead of the launch to gather, monitor and react to data, including formulating contingency plans.
- ✓ Building a team that can focus exclusively on launches, in order to create a single, comprehensive perspective.
- ✓ Staying aware of progress even after the launch and adapting to changes as rapidly as possible.

As the pharmaceutical industry launches more products every year, it is time to move away from a one-size-fits-all approach. By integrating sophisticated and consistent data analysis, drug companies can stay on top of the needs of each drug released and maximize their market potential.

Moving Forward

The move from the traditional blockbuster launch toward many mini-blockbusters is just the first of many changes. As the focus shifts toward data analysis and customized launch strategies, Pharma companies will be looking for more sources of information and more ways of collecting data directly from patients via social media and online search histories.

This trend will be vital for drug companies, since patients are becoming more and more likely to get their information from sources other than doctors. This creates an opportunity for companies to become information providers. Information and patient services that complement the products will not only allow drug companies to expand but are likely to become an important way of gaining brand loyalty and marketing new products.

Helping patients take their healthcare into their own hands will also open the door to new technologies, including wearable devices that let patients track their own symptoms.

Pharma companies that are prepared to monitor trends and react swiftly, whether in their own drug launch or in the entire industry, will be the ones who can overcome high levels of competition and make the most of waiting opportunities.

[Click here to view the Verix New Drug Launch Checklist & track your drug launch success.](#)

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ABOUT THE AUTHORS

This e-book is a joint effort of the marketing team at Verix. It was written by Annie Reiss, VP Marketing and produced by Danielle Arad, Online Marketing Manager.

Verix offers innovative cloud based analytic solutions to streamline commercial operations in the Pharmaceutical industry. A must have tool for Sales, Marketing, Analysts, and Managed Markets users, in the field and back in the home office. Verix's analytic applications provide timely, focused, and relevant insights, anytime, anywhere – online, offline, and on mobile devices.

The authors are very thankful for the research available and knowledge that is shared on the market by leading influencers.

Thank you for reading

*We invite you to share your thoughts and
reactions*



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