The New Reality:
Maximizing Product Launches in the Post-Blockbuster World
The changes in the biopharmaceutical industry have reverberated throughout every phase of the product lifecycle. Everyone knows the game has changed; however, in some cases the implications of those changes have taken time to take shape.

To understand how industry changes have affected biopharmaceutical product launches, Accenture conducted a rigorous analysis of the launch environment for the top 200 branded New Molecular Entities (NMEs) launched between 1992 and 2011. Our research quantified the trends we have seen emerging in our experience working with leading biopharmaceuticals around the world. As we analyzed the retail sales data over the past 20 years, three things became very clear:

1. The luxury days of long lead times to peak sales are gone
2. Peak sales are no longer what they used to be
3. Launch brands will need to make some dramatic alterations to their launch strategies in this post-blockbuster era

The numbers paint a stark picture. As shown in Figure 1, the average peak retail sales for products launched in the last five years are now approximately 30 percent lower than they were for products launched between 1991 and 2001 (dropping from approximately US$620K to approximately US$410K). Moreover, as Figure 1 also shows, the window to achieve peak sales has decreased by 30 percent. Whereas brands approved between 1997 and 2001 reached their peak sales in seven years before starting to decline, brands approved between 2007 and 2011 appear to be reaching their peak sales in less than five years before starting to decline.

The data makes it clear that for biopharmaceuticals, it’s a different world for launching products. Even more important than identifying how things are changing is understanding the root causes and implications. In the next sections, we examine the root causes behind the erosion in launch performance, the challenges the new launch environment brings and what launch brands need to do to stay ahead of the trends and emerge on top of their game in this post-blockbuster world.
Figure 1. Average Peak Retail Sales and the Time to Achieve Peak Sales Among Top-200 Drugs Steadily Fell between 1992–2011

From 1992-2011, both average peak retail sales and the time to achieve peak sales steadily fell.

Source: Accenture Research based on Scott-Levin’s Source Prescription Audit, as published in Drug Topics in 2000-2002, Verispan (Scott-Levin) as published on Drugs.com 2003-2010. For products approved in 2007-2011, average peak sales and years to peak based on various third-party equity analyst estimates.

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*Years to peak sales for products approved in 1992–1996 were not included in this graph because the source retail sales data is from 2000–2011 and may not include the peak sales year results for those products. Peak sales and years-to-peak data for products approved in 2007–2011 is based upon various third-party analyst estimates.
What's Behind the Decline in Peak Sales and the Shrinking Window to Achieve Them?

Among the many factors behind the erosion in launch performance (in terms of both smaller peak sales and shorter time to achieve them), our research pointed out the most critical: a shift toward treating smaller populations and the rise of the “follow-on” molecule.

A Shift toward Treating Smaller Populations Means Smaller Sales Overall

In many cases, existing standards of care mean new entrants first must demonstrate the efficacy of their products in patients who have exhausted all other options. This trend forces new entrants further down the treatment paradigm in defining their target market. The result? Smaller patient populations, which contribute to smaller peak sales in a shrinking launch window.

For example, between 2003 and 2007 six HIV medications were approved for patients with specific treatment history. Of these, only one made the list of top-200 retail sales prescription products. In contrast, prior to 2003, 24 HIV products were approved without any patient treatment experience parameters, and of those, 22 made the list of top-200 retail sales prescription products.

The Rapid Rise of the “Follow-on” Molecule Is Shrinking Brands’ Launch Windows

The final main factor contributing to shortened launch timeframes is the rise of the “follow-on” molecules (sometimes also known as “me-too” drugs). Significant improvements in the R&D process and shifts in drug development approaches mean biopharmaceutical companies have gotten remarkably better at developing similar, competing NMEs to first-in-class drugs in a short timeframe. Since the 1970s, the follow-on competitors have been consistently shrinking the window of market exclusivity for first-in-class drugs. In fact, the mean length of marketing exclusivity for first entrants in a drug class has declined by 82 percent from the 1970s through the late 1990s. Moreover, in 89 percent of drug classes, the Investigational New Drug Applications of follow-on drugs were filed before the first-in-class drug was even approved. Additionally, approximately 50 percent of what turned out to be follow-on drugs had a United States or worldwide patent filed before the first-in-class drug did. Because competitors will regularly find themselves racing down the same path of research for a particular disease state, brands must accelerate the uptake of their launch products to maximize their time in market before the competition enters.1

The Challenges of the New Launch Environment

Operating in this new launch environment has exacerbated the challenges brands must overcome to ensure a successful launch in today’s post-blockbuster world.

Payers Are Raising the Bar on Coverage

With a slew of generics coming to market, payers are paying closer attention to their entire portfolio as opposed to worrying about cost containment in only the highest cost disease states. In addition, they are demanding evidence of the positive impact a medication has on reducing total health care costs and improving patient outcomes. If a brand cannot effectively communicate the value of the product or predict where access to the product will be greatest and shift resources accordingly, it can be crippled right out of the launch gate.

The Health Care Provider Landscape Is Changing

The changes in the health care provider (HCP) landscape have had a measurable impact on the type and scale of marketing and sales channels needed to effectively communicate with HCPs. For example, today, more HCPs are joining integrated delivery networks (IDNs). While IDNs vary in terms of organization, formulary integration and financial risk, in general they are centralizing key decisions (such as about formulary access) and having a greater influence in the market. These networks are the new targets; blitz sales calls at small provider offices are becoming a thing of the past. Pharmaceutical companies must adapt their commercial strategies accordingly or risk wasting resources by focusing in the wrong places.

Patients Demand More

Generally speaking, today's product launches target a more savvy, engaged patient population. Patients and their affiliated advocacy groups demand better information and access to a wide range of support services. In today's hyper-connected, information-hungry culture, launch brands need to be seen as working with patients in battling a disease, versus just supplying a pill. This factor—the element of demonstrating additional value—in conjunction with the need for speed, greatly complicates launch strategy for launch brands.

Internal Resources Are Shrinking

Against the backdrop of complicated external challenges, biopharmaceutical launch teams operate in an environment of more highly constrained resources than ever before. Gone are the days of large sales forces and broad direct-to-consumer TV campaigns; launch brands typically now have a smaller core team with fewer assets at their disposal. Old launch strategies need to be replaced by more thoughtful and sophisticated models that optimize spend by targeting a more select group of key influencers and decision makers.

The Need for Improved Coordination between Global and Local Markets Is Increasing

Additionally, resource constraints have internal leadership within launch brands demanding greater coordination between global and local markets in developing launch strategy. Some launch brands have already developed relatively strong connections from global to local, but for others the requirement from leadership for greater coordination adds up to a wholesale reset of the existing global-local operating model.

Co-promotions Are Rising

Finally, fewer resources within individual organizations have spurred the rise of partnerships and co-promotions. Examples include Eliquis (from Pfizer and Bristol-Myers Squibb) and Onglyza (from Bristol-Myers Squibb and AstraZeneca). Born of necessity, partnerships and co-promotions can bring considerable benefits, helping each partner achieve scale or benefit from the unique capabilities of the other. The increase in complexity, however, adds to the level of risk and internal stress. The same issues that stalk any business alliance—such as culture differences, governance—are intensified in the condensed timeframes of today’s launches.
Lessons Learned for Successful Product Launches

1. Create a brand positioning that can stretch over future indications
2. Rethink your competitive differentiation
3. Embrace advanced analytics to increase launch update and ROI
4. Develop a complete understanding of market influence and then work together to manage that influence
5. Be honest and objective in confronting your launch plan gaps
6. View project management as a source of competitive advantage
7. Recognize that the launch doesn’t end at the launch party
Accenture has been analyzing the successful traits of product launches over the last two years—examining more than 25 new product launches across 15 major pharmaceutical companies. Based on this analysis, as well as our many years of experience working with top successful brands, we have assembled the following most critical lessons to help enable a successful launch in this post-blockbuster world.

**Lesson #1: Create Brand Positioning That Can Stretch Over Future Indications**

To counter the trend of lower peak sales and the shrinking window to achieve those sales, brand leadership needs make sure that they create a master brand at onset where future indications are mapped out and clearly support the overall brand positioning. The goal should be to tell an increasingly compelling story that builds the brand and expands the market’s understanding of the product’s uses, benefits and contribution to an improved patient outcome.

For example, a psychiatric brand launched with a message that was too tightly focused on the initial indication. The brand team soon realized the brand was being defined too narrowly compared to its future indication strategy and in a few years they would struggle to explain to physicians why this defined brand was now able to treat a much broader range of related indications. The brand team refined their clinical development and communication strategy to create an overarching, common brand-positioning goal.

**Lesson #2: Rethink Your Competitive Differentiation**

If you asked a brand executive what it means to differentiate, you would probably get an answer in terms of labels, tag lines and sales forces—very classic concepts. Today, the concept of differentiation has to extend dramatically—beyond catchy slogans about efficacy to broad-based programs that demonstrate commitment and success in improving patient outcomes. More and more, launch brands have less to invest in traditional channels and are shifting their money toward developing more holistic patient treatment programs, often relying on mutually beneficial relationships within the treatment ecosystem. Successful marketing efforts in the new launch environment now emphasize how a product and its ancillary services improve health outcomes to drive top-line growth.

For example, one brand of cancer drug partnered with an oncology practice to collect real world data on service utilization and drug adherence. The program identified non-medical patient challenges, and the brand used that information to develop more effective support services. The support services became a significant brand differentiator, improving adherence and increasing sales.
Lesson #3: Embrace Advanced Analytics to Increase Launch Uptake and ROI

Many brands make resource allocation decisions based on past experience or population size as opposed to a deep understanding of current market potential. In the new reality, launch brands must seek to make resource allocation decisions based on a more complete understanding of potential within their launch markets. Biopharmaceutical companies have volumes of data; they now need to use it in a different way.

For example, one niche brand with a small budget sought new solutions to the resource allocation question. Looking at a model that integrated physician, managed market, demographic and competitive data sets, brand leadership identified high, medium and low opportunity geographies. The results contained more than a few surprises—leadership found that previously overlooked geographies held considerably more promise than traditional major markets such as Los Angeles. The results forced leaders to completely rethink how resources were distributed across sales and marketing geographies.

Lesson #4: Develop a Complete Understanding of Market Influence and Then Work Together to Manage That Influence

Today, effective launch strategies focus not just on tracking, understanding and targeting the physicians who write the script; they focus equally on a much broader group of people who influence the script—including patient advocates and social media key opinion leaders (KOLs), such as conference speakers and specialists.

Building an integrated influence map across geographies is a complex undertaking. While building the influence map still can be done with existing internal data and inexpensive third-party data, it must be done with far greater granularity than in the past. The key to success is to build a robust KOL network that extends beyond the top 20 most well known national KOLs (for example), into the top 100 regional and local KOLs as well. Traditionally, relationships with KOLs have been managed through the medical side of the business. Today, once they understand the bigger picture of who the KOLs are, leading brands develop joint plans between the commercial and medical sides of the business to manage relationships with them.

For example, one brand enjoyed an initially strong launch, but saw sales quickly flatten out. The performance drop was attributed to lack of advocacy within the KOL community. The brand developed a highly coordinated strategy across its commercial and medical sides to improve KOL training and advocacy at the national, regional and local levels, and subsequently improved brand performance.
Lesson #5: Be Honest and Objective in Confronting Your Launch Plan Gaps

Today’s launch plans can be extremely complex, covering more than 50 work streams ranging from manufacturing and supply chain to clinical trial planning and ad board development. Brand teams can get overwhelmed with this complexity, but burying your head in the sand will not improve matters. The time to take a step back, scrutinize the plan and identify gaps is at the start. Unidentified launch gaps do not get better with time, and in fact, can get harder to address as you approach launch. Then, when the gaps have been discovered, the organization has to have the fortitude to hold the correct people accountable for closing those gaps.

One launch team was growing concerned over difficulties in meeting launch milestones and decided to conduct a thorough launch assessment. The assessment identified anticipated bottlenecks in medical, legal and regulatory and uncovered a fundamental lack of project management oversight across all launch activities. The team took the issues to senior leadership and obtained more resources. As a result, what seemed destined to become a behind-schedule launch became a launch that hit every major milestone.

Lesson #6: View Project Management as a Source of Competitive Advantage

Dedicated launch management is essential to delivering a complete go-to-market strategy and meeting tight deadlines. Given the complexity of today’s accelerated launches, different pieces are unlikely to move at the same pace without push from leadership. Accenture experience has shown that without a single, senior program management lead and integrated launch plan tracking issues and risks, a complex launch plan with multiple dependencies can quickly grind to a halt. Every task must be completed; every piece aligned. Oversight is unrelenting, but necessary, work; organizations with project management discipline can consistently deliver launches that are on time and on budget.

For example, one Accenture client was faced with a fast-track FDA review and potential launch in seven months. Meanwhile, a competitive compound was also racing to the market. Understanding the importance of launch project management support, the team assembled an integrated plan centered on more than 200 key milestones and strong project management capability to track and manage the launch. In addition, the launch team created launch tracking tools and processes, and produced daily and weekly analyses on launch readiness. As a result, the team met the aggressive launch deadlines.
Lesson #7: Recognize the Launch Doesn’t End at the Launch Party

Combine the traditional zero to 12-week “blackout period” immediately post-launch with the intense energy launch brands pour into pre-launch objectives and it is easy to see why some brands lose focus after launch. Savvy, guarded physicians and aggressive competitors can quickly stall launch momentum if a launch brand does not remain vigilant. For example, one brand did a poor job of training its sales force when launching against a chief competitor. The competitor began a negative detailing campaign that left the newly launched brand floundering, with sales reps unprepared to counter objections. The result was slow launch uptake that led to years of underperformance.

In contrast, another brand launched into a very competitive environment recognizing it needed to find ways to measure performance immediately post-launch and overcome the traditional blackout period during the first 12 weeks of launch. By combining a firsthand account of how strategies and tactics were delivered in the field with cutting-edge analytics, this brand was able to immediately identify opportunities to increase uptake via a launch dashboard. The brand then used this platform to test pre- and post-launch strategies to isolate key success drivers over the next 12 months.

These examples show how a brand launch remains an effort even months later. Successful brands leverage advanced performance monitoring including launch dashboards and primary market research to make needed adjustments immediately—and then continue to monitor and adjust for months to come:

- What is happening in the field?
- What are our competitors doing?
- What is the market saying?
- What are the top objections to our product?

These are the questions a launch brand team must continue to ask itself and develop appropriate responses.
The changes in the biopharmaceutical industry have affected every point of the product life cycle. Product launches are no exception. With both the time to achieve peak sales and peak sales themselves significantly reduced from what they were even five years ago, launch brands will need to adopt significantly different launch approaches to make the most out of their limited windows of opportunity.

The task is complicated by a number of new challenges that have arisen concurrently—new stakeholder demands, fewer resources and the need to collaborate more extensively, both within the company and with competitors.

How will biopharmaceutical companies succeed? By understanding—not just the trends, but also the advantages they can readily gain by:

- Making better use of existing data to develop (and act on) rich insights into both stakeholder needs and launch performance
- Developing more meaningful relationships with a broader set of stakeholders
- Rigorously following through and monitoring launch brand performance and making adjustments long after the excitement and flurry of activity over the official launch has ended

Conclusion
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