

HELPING PHARMA “CHALLENGER” BRANDS WIN

An Ipsos White Paper

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GAME CHANGERS



Stakeholders now often have a multitude of therapeutic options to consider for most conditions—which presents a conundrum for biopharma manufacturers.

EXHIBIT 1

The Context...

To the good fortune of patients, treatment for most conditions has progressed substantially in the last few decades



HCPs, patients, and payers generally have a **broad assortment of therapeutic options to consider**—so much so that for several conditions a **new brand might go largely unnoticed...**

How can a **“challenger”** brand **make a mark**, and ultimately **win** at launch, when plagued by difficulties

Therapeutic advances in the last several decades include...

- Progression from being solely small molecule to also include recombinant DNA technology, or biologics—the first approval of which was in 1982 (Humulin).
- Since 1980, heart disease deaths have dropped by over 50% in the U.S.
- Targeted therapies for cancer—both heme and solid tumor—have become a true reality.
- Since the late 1990s, new classes of antiretroviral therapies (ART) for HIV have extended life post-diagnosis by 50+ years.
- Since 2014, conditions like Hepatitis C now essentially have “cures.”
- Cell therapy hit a breakthrough in 2006 with induced pluripotent stem cells, and 2017 saw the first gene therapy reaching the bedside with CAR-Ts (Kymriah for ALL—acute lymphoblastic leukemia).

... and the innovations go on and on!

As wonderful as this is for patients, and society—for most conditions, stakeholders often have so many therapeutic options to consider that a new brand might go entirely unnoticed! It’s a conundrum for biopharma manufacturers.

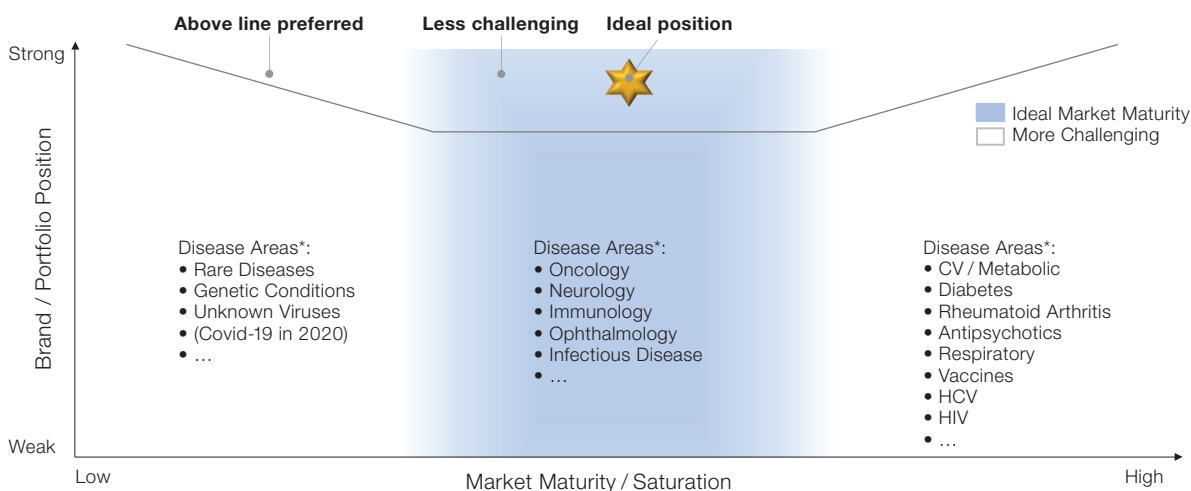
To that end—how can a pharma “challenger” brand make a mark, and WIN at launch despite these challenges?

When thinking about market maturity or saturation vs brand or portfolio position—there are some important considerations.

EXHIBIT 2

Market vs Brand / Portfolio Considerations

Today, many disease areas sit in highly mature / saturated markets, and most of R&D spend is in those less mature



*Grouping across market maturity levels suggests most/some of each disease area is appropriately positioned there

Whether a market is very immature, or very mature— a biopharma manufacturer might encounter significant challenges in either case. Being closer to the middle on the horizontal/X-axis is generally easier.

We're all familiar with a number of disease areas that fall across this spectrum...

- On the low maturity side would be many rare disease areas, several genetic conditions, unknown viruses— such as Covid-19 back in early 2020!
- More mature markets would include CV/ Metabolic, Diabetes, RA, Antipsychotics, etc.
- Disease areas that are generally in more of that sweet spot include much of Oncology, Neurology, Immunology, Ophthalmology, Infectious Disease, etc.
 - Not surprisingly, this is where most of R&D spend in the sector is focused today.

When considering brand or portfolio position, being above the illustrated line is really ideal. Particularly above the line and in the blue zone is preferred. In this white paper, we focus on addressing pretty much EVERYTHING ELSE! With that, consider some scenarios.



Scenario #1:

A pharma brand is late to market, and/or in a highly competitive space...

- a. Also, with little to no profile distinction
- b. Let's go above brand—say these are portfolio concerns

EXHIBIT 3



Not a lot of differentiation on the data side... this is where you bring out your marketing chops! Think Pepsi and Coke—they've got to go head-to-head." —Anuj Hasija

When late to a competitive market—as suggested, to differentiate it's really about finding your niche... You need to know your strengths and how to use them!

- Whether that be data-based, biomarker, patient subgroup, standard of care head-to-head, etc.
- Via dosing/administration, QoL measures, etc. (if not better on efficacy/safety profile).
- Via execution by reaching the right stakeholders better—those important ones that are missed, or otherwise not being targeted effectively.
 - Through DTC, digital, patient support services (PSP), other channels.
 - Considering regional payers/formulary positioning, key prescribing HCPs that more often switch/cycle Rx, etc.
- Via pricing by strategically figuring out the right entry point.
 - If you price strategically, the leaders won't drop immediately, and you can earn your place on formulary and in market share.
- Or via stakeholder positioning and knowing WHO to target and with WHAT message.
 - Even without specific data, you can still identify a profile you want your brand to resonate with and market to... if they're important and not effectively targeted by others, it's yours to win.

... these are all ways you can still win

Scenario #1: (continued)

a. With little to no profile distinction...

EXHIBIT 4

Identify corporate strength...
Leverage that!

Consider alternatives:

- Indications
- Combinations
- Market entry strategy

Look outside your category or industry for ideas

Divest, cut loss, and sell...



Sitagliptin team found a place... all other studies were outpatient, so they moved to an inpatient setting.—Pablo Lapuerta

- You have to consider corporate strength, disease area leadership (TL relationships, your FF, portfolio). Can these things help?
- You might want to consider alternative indications, combinations, or market entry strategy.
- Sometimes it is worthwhile to look outside of your category or even industry for inspiration!
 - How does Hershey's do it, in the land of chocolate bars, for example...?
- Nonetheless, even with all of this—sometimes you've got a dog. You have to realize when you're better off cutting your losses and selling, perhaps to someone better positioned to find value from it.

b. If these are portfolio or corporate considerations...

EXHIBIT 5

Invest in your leader

Identify combos, payer bundling, etc.

Find a partner that adds value to your pipeline

Dig for patient unmet need with less competition—go there!

- Then invest in your leader.
- Think about combos, bundling for payers, where investment would maximize potential vs divesting to cut losses.
- Possibly finding the right partner to supplement your pipeline.
- Ultimately, you must figure out the patient's unmet need that the competition is missing, and invest there.



Scenario #2:

Think you've got something special in terms of an asset, but not sure yet!

EXHIBIT 6

Next level research and analysis to identify where to invest

Competitive intelligence... CI, CI, CI!
...from the lens of
"how do I stand out?"

Be prudent and aware of brand team-bias
...get the support you need to inform your hypotheses objectively



We believed this would be transformative... but we weren't sure if it would be credible... it required a big shift to be made... Through market research we were able to confirm that the approach would be compelling. —Bill Gibson

This is a situation where you really need next level research and analysis to identify where to invest.

- Look for key stakeholder perspectives—ad boards, and other PMR are all fair game.
- Build a valuation model and evaluate it—consider the forecast, cost of investment, PTRS, etc.
- Set thresholds and consider metrics to help inform go/no-go, invest more or less, etc.



You've gotta make a decision at some point—value play, or volume play—two very different marketing strategies... —Bill Renzo

This is clearly an area where competitive intelligence becomes key—particularly to understand “how your brand stands out” at a granular level



Just go ask one of the payers... they're going to tell you real quick if you've got something special or not. —Bill Renzo

Also, always be aware of brand team-bias—things aren't always as amazing externally, or with PTRS, etc. as they might seem internally. Inform your hypotheses and make decisions objectively. When late to a competitive market—as suggested, to differentiate, it is about finding your niche. You need to know your strengths and how to use them.

Scenario #3:

Facing competition with more novel MOAs...

- a. Say you're already in market
- b. Now let's say you enter after them

EXHIBIT 7

Novel means less precedence...	<ul style="list-style-type: none">• And therefore more speculative / risky—leverage that!• It might also mean expensive—call attention to that!
Reframe the narrative!	<ul style="list-style-type: none">• You tell the story about how people should see the problem, and think about your brand vs the novel MOAs
Draw the category map...	<ul style="list-style-type: none">• For patients, HCPs, payers, etc., to help them see the landscape as you do
Execute better:	<ul style="list-style-type: none">• Ensure your contracts, PAG and TL relationships, PSP services, etc., are all designed for success



“Heard an expression—‘You don’t want to shoot yourself in the foot by studying safety’—but the answer is the reverse—you help yourself when you’re studying safety.”—Pablo Lapuerta

Novel means less precedence, and therefore it’s more speculative and risky—leverage that! It also might mean more expensive—draw attention to that.



“This scenario screams... competitive response initiatives... really pressure test likely strategies, likely execution steps of your competitors.”—Steve Girling

Similar to any product category, it’s your narrative. Own it. Tell the story you want people to know—about the problem, your brand, the novel competitor. Don’t let the novel entrant own the story—preempt it ideally



“You’re late to market, your competitor is already positioned out there, so you’ve got all the data in the world to think about how to position strategically... you can actually work from an advantage being second or late mover into market”—Anuj Hasija

Draw that category map for key stakeholders...tell them where your brand fits, and how they should consider using the more novel MOA.

Finally, better execution can go a long way—contracting, patient assistance group engagement, TL relationships and patient services can all make a difference.

Scenario #4:

Let's now consider a less mature market where you're entering a market that is underdeveloped, or even unknown.

EXHIBIT 8

Market Building

Disease awareness, symptom characterization

Be the partner of patients and PAGs!—patient discovery, PSP

TL finding/mapping/connecting

HCP education, diagnostic establishment

Payer education (or not!) and complex contracting, etc.



Pressure test what the engagement levers are, or you might have to even create the engagement levers... the path to care is likely not that well established.—Steve Girling

It's pretty much all about market building... disease awareness, symptom characterization, finding and partnering with patients and PAGs, finding TLs/mapping them/forming relationships, HCP and payer education, diagnostic establishment, etc.



Social stigma... PCPs lacked diagnostic tools, clarity, and of course treatments... this all adds up to a symbiotic avoidance behavior in the early stages. As we're learning, science is moving to the left, with earlier patient identification, enriched with the right confirmation of pathology.—Bill Gibson



Scenario #5:

Limited commercial dollars or infrastructure to rival competitors

a. You say it's an Alliance brand...?

EXHIBIT 9

Limited dollars/infrastructure

Optimize spend on
needle movers!

Identify and amplify
strengths

Consider
analogues

Possibly
partner!

You say it's an Alliance brand...?

Clarity around roles
and checkpoints

Evaluate KPIs
VERY regularly

There are a few things to consider when commercial dollars/infrastructure is tight:

- You've got to optimize spending on what will really move the needle.
 - Running an eNPV model on commercial/clinical options and looking at sensitivity analysis (like a tornado chart) can help you identify the highest ROI initiatives.
- Figure out your strengths and how you can amplify those despite less resources.
- Consider analogues that have won in similar circumstances... what did they do?
- Of course—partnering is clearly an option to consider here! Make it worth their while...
 - Upfront milestones can cover nearly all downside risk... regulatory milestones then restore upside potential.



*Take inventory of what's already in place...
the wheel doesn't need to be reinvented* —Bill Gibson

For an Alliance brand—ensure CLEAR alliance roles and communication/alignment checkpoints on the regular. KPIs should also be evaluated VERY regularly at senior levels... over-communicating is your friend in this instance.



Scenario #6:

Only so much money to spend, and want to maximize return on investment:

EXHIBIT 10

Benchmarks	Quantity	Evaluate
<ul style="list-style-type: none">• ROI on marketing/promo tactics• PTRS by TA, or specific disease	<ul style="list-style-type: none">• eNPV of options• Probability vs NPV distribution• eROI at portfolio level with or without this asset	<ul style="list-style-type: none">• Analogues for return proxies• Sensitivity analysis for biggest value drivers

When you want to maximize ROI on the dollar:

- It's worth considering ROI benchmarks on different marketing and promo tactics.
- PTRS (probability of technical and regulatory success) benchmarks of course too.
- One useful method for this is quantifying eNPV (expected net present value) of options, and plotting that out on a probability vs NPV distribution.
 - If you consider this at the portfolio level, you can really pinpoint whether you should invest in the asset or in other areas of the portfolio based on eROI. Is eROI of the portfolio better with or without this asset?
- Analogues are worthwhile to consider here again—particularly with regards to forecast impact and potential return.
- Finally, that sensitivity analysis again can pinpoint what will drive the most value. Assess the big drivers from a tornado chart, for example, and invest there!

What's Next

If you found this white paper helpful, and have questions, or would like to discuss—please reach out directly to our author:

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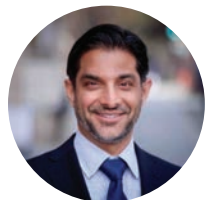
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