

February 1, 2009

## Market access requires new skills and processes

By Thomas Bertels, Eva Walde, Edoardo Monopoli

Almost every pharmaceutical company is rethinking how to ensure market access.

The strategies that served the industry well for the last two decades—focusing research on drugs with blockbuster potential, deploying overlapping sales forces to maximize share of voice, and using direct to consumer advertising to increase demand—are increasingly being questioned. The rapid rise in overall healthcare expenditures has prompted regulators, policy makers, and payers to question the value of treatments, limit reimbursement, or withhold approval.

Complicating the task are the differences between national health systems, forcing pharmaceutical companies to define differentiated value propositions for each individual market. Increasingly, market access is evolving into a separate organizational function that integrates pricing and reimbursement, outcomes research and healthcare economics, regulatory affairs, public affairs, and key account management.

Building an effective market access organization involves much more than changing the reporting structure. Upgrading the skills and competencies of market access professionals and developing new processes that effectively integrate the various disciplines is crucial to ensure access and maximize value.

A successful approach incorporates three perspectives: stakeholders, scenarios, and dogmas. The power of this approach is that it is designed to overcome the limitations of conventional wisdom and established paradigms.

The first step towards creating an effective market access function is to develop a clear understanding of the needs and perspectives of the various stakeholders in each individual market. A thorough analysis will not only reveal opportunities to communicate the value of a product that is about to get launched, but will also inform and guide the development strategy. As a result, market access professionals need to engage both internal and external stakeholders effectively.

It is important to remember that stakeholder needs and perspectives are in flux. Therefore, designing an effective market access function needs to consider the whole range of potential futures. Constructing a number of different scenarios is an effective way to design a market access function capable of responding to a very dynamic marketplace. An example for a scenario might be that reimbursement will be tied to (and limited to) demonstrated impact on specific patients—in other words, if the patient does not get better, the manufacturer will not get paid. Scenarios like this prompt pharma executives to take a fresh look at how they go about demonstrating value.

The third step is to identify the dogmas or paradigms that determine the range of ideas and solutions considered. Understanding and deconstructing dogmas however enables the emergence of uncommon ideas – those that have the potential to change the game and turn conventional wisdom on its head. An example for a dogma prevalent across the entire industry

is that payers are only interested in the cost of drugs and do not care about savings in other areas (for example, shortening recovery times). Not challenging these dogmas means missing out on opportunities to create new tools, models, and cost/benefit analyses to support stakeholders in the decision-making process.

Equally important, the process also engages key internal stakeholders and helps to create organizational consensus of what market access is, how it supports the overall business, and why it is important to upgrade existing processes and capabilities. To succeed, market access needs to collaborate with key functions such as marketing and development, and the first step towards collaboration is to ensure recognition of the critical role market access plays in today's environment.

The next step is to conduct a gap analysis between the current state and future scenarios on several key dimensions to determine what new competencies are needed. This analysis is the starting point for assessing the ability of current resources to develop the new competencies needed as well as define areas where new skill sets need to be sourced.

Once the competencies have been defined and plans are in place to address gaps, it is time to redesign the processes in scope to ensure leverage of commonalities in markets as well as careful integration with other processes (especially marketing and development processes).

Careful assessment of the capabilities needed has the potential to convert a problem—the ever increasing pressure to reduce cost—into an opportunity by creating a market access function and processes that help articulating data-based value propositions customized to market and stakeholder needs. Thinking through the likely scenarios and actively questioning industry dogmas can help identify uncommon solutions that break the traditional "sales" mold and deliver real benefits across the patient care cycle.

Thomas Bertels is a partner at Valeocon, where he leads the firm's life sciences practice. Eva Walde is a senior associate in the firm's Scandinavian office. Edoardo Monopoli is the firm's managing partner and leader of its Value Innovation practice.



Reprinted from Managed Healthcare Executive, in the "Exclusives" section.



© 2009 Advanstar Communications Inc.. All rights reserved. Licensed by Thomas Bertels for 10 copies on May 15, 2009 . You may forward this article or obtain additional permissions at the following iCopyright license record and renewal locator: <http://license.icopyright.net/3.7353-20903>. Advanstar Communications Inc. and Managed Healthcare Executive logos are registered trademarks of Advanstar Communications Inc. The iCopyright logo is a registered trademark of iCopyright, Inc.