

Personalized Medicine or Personalized Marketing?

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As the market for specialty drugs (also known as niche or orphan drugs) that provide therapy for certain chronic conditions has accelerated, so has the focus on increasing patient adherence.

Adherence, the propensity of patients to take the drugs regularly and as prescribed, is a growing issue for the healthcare industry. The World Health Organization (WHO) indicates that that only about 50

percent of patients typically take their medicines as prescribed. This has implications for providers, insurers, and pharmaceutical companies alike. It affects patient outcomes. It affects costs—if patients don't get better or keep their conditions at bay, they could end up in the hospital or with additional complications.

For pharmaceutical companies that increasingly rely on sales of specialty drugs, it also affects growth prospects. According to CuraScript Drug Trend Report 2010, specialty drugs accounted for about 24 percent of the overall pharmaceutical market in 2009, and that percentage is expected to increase to 40 percent in 2014. One reason for this is the “cliff” created by expiring patents on many “blockbuster” drugs, requiring manufacturers to shift their development efforts to specialty/biotechnology drugs to fill the gap and provide growth opportunities. At the same time, a prevalence of chronic conditions, increasing prices for specialty drugs, and the success of those drugs in improving quality of life and increasing life

expectancies also are driving new focus in this area.

But if 50 percent of patients are not taking their medications as prescribed, then pharmaceutical companies are losing out on a significant percentage of potential sales. Simply stated, to sell more drugs in this market and improve patient outcomes, drug manufacturers must gain a better understanding of what motivates patients to follow appropriate therapies and, even more importantly, remain loyal to their products.

Taking a page from the retail marketing handbook

When tackling new challenges, it often helps to look outside our own industry. In this case, pharmaceutical companies can gain some insights from the proven principles of retail customer loyalty programs. Using abundant consumer data available to them, retailers continually analyze, test, and pursue an array of targeted programs that appeal to specific customer preferences and behaviors. For example, with knowledge about

which customers respond best to “points” incentives earned by shopping at certain times, a retailer can implement promotions targeted especially to those customers.

This is a much more precise, patient-centric approach than most drug manufacturers have employed in the past. To implement these types of personalized approaches, though, they must have insight into the reasons why patients do—or do not—adhere to their prescribed therapies.

Understanding root causes of low adherence

There are many factors that can contribute to low patient adherence to therapy:

- Cost/financial barriers
- Poor health education/literacy
- Comorbidities
- Lifestyle
- Age
- Psychological issues
- Therapy side effects
- Lack of accountability
- Lack of support systems/case managers
- Lack of care coordination
- Lack of incentives

More importantly, the reason is unique to each patient. As a result, one-size-fits all strategies for improving therapy adherence hold little chance of being effective.

To maximize adherence and, ultimately, specialty drug sales, a drug manufacturer needs to understand what factors impact specific patient populations.

This requires a customer-centric approach to defining patient-intervention programs that:

- Identifies and defines attributes of a patient population.
- Determines appropriate interventions for each discrete (and overlapping) population. Not every solution will work for every population, so it is important to determine the best possible combination of solutions for any given person.
- Considers the marketing impact of the individual. Technology exists to identify key persons that use social media to influence many others and then create appropriate strategies.
- Identifies the population with the biggest market share and the highest potential return on investment.
- Establishes differentiated approaches for each patient groups based on ROI and needs.

Digging into the data

Of course, accomplishing this requires data. Most pharmaceutical companies have all the data they need, and then some—traditional enterprise and customer data, as well as growing types and volumes of pharmacy benefit management, portal, market, clinical, social media, and other data.

Despite having access to this unprecedented amount of data—and the ability to gather and process it with today’s more mature tools such as mobile applications and portals—what most pharmaceutical companies lack is the capability to turn it into the insight necessary for designing effective patient

adherence strategies. A key reason is because data resides in many different databases and applications across the organizations.

Better analytics, better insight, better results

Business intelligence and analytics tools enable companies to pull data from a variety of places to answer key questions, namely: Why are patients adhering to or dropping off therapies? In turn, this can help guide appropriate personalized strategies and interventions.

Consider this example. For one particular therapy, traditional prescription patterns dictate that patients should be picking up prescriptions at 28 or 56 days. So why are some patients picking up at other intervals? Available data and analytics tools enable us to identify and analyze the “outliers” and discover “rules” that may explain why certain populations behave as they do and what influences them to change behavior. Through such analysis, we may find that web applications to sign up for patient programs works for one population, but it is worthless to another group that needs a regular call from a friendly nurse. Now, we have some real insight that can help us develop tailored, individualized programs that encourage patients to take their medications regularly.

In the evolving world of specialty pharmaceuticals, one-size-fits-all approaches simply won’t work. Taking a page from the retail industry, drug manufacturers can develop the capabilities to execute personalized patient programs—a strategy that relies as much on sound marketing as much as it does sound medicine.

Today's business intelligence and analytics tool and capabilities can enable this. It's just a matter of making sure they're up to the task.

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