

3-D Outsourcing: THE KEY TO IMPROVED PRODUCT LAUNCHES

Put yourself in this situation: You are the director of operations at a growing biotech company. It is either your first product launch or your previous product launches have been slow, inefficient and costly. It is up to you to improve commercialization by streamlining processes and using limited resources more effectively. You have three options:

1. **BUILD** new and/or improved sales capabilities internally;
2. **OUT-LICENSE** to a larger pharmaceutical company and leverage its existing staff and capabilities; or
3. **PARTNER** with an outsourced commercial solutions provider.

Which option is best?

This decision hinges on a complex assortment of variables since an effective product launch plan must be comprehensive, extending beyond commercialization to consider manufacturing capabilities, clinical expectations, economic impact and more. The launch planning process should start as early as possible, sometimes three years ahead of expected regulatory approval, enabling executives to take the necessary time to ‘measure twice’ (or thrice) and cut just once. Further, the culmination of an iterative process that unifies clinical and commercial teams along with key stakeholder objectives is crucial to optimizing launch in an increasingly complex healthcare marketplace.

Choosing the Best Path for the Best Launch

Companies that choose to build new capabilities internally must accept two levels of risk: 1) Uncertainty of the regulatory agency approving the product (which affects the timing of hiring sales staff), and 2) Unforeseen market dynamics, such as formulary coverage, that could impact the ability to hit forecasts. So it is essential for companies, especially emerging and mid-size biotechs, to understand the risks of building a commercial infrastructure on its own and build in flexibility that will address the potential impact.

On the surface, the second option of out-licensing to a larger pharmaceutical company, which already has the needed capabilities, seems safer and more attractive for various reasons. However, the large pharma company might not be able, or willing, to devote

Today's life sciences landscape requires more than just one-dimensional support. To succeed, look for end-to-end support from outsourced partners across the three dimensions.



Scalable Field Resources managed by experienced industry leaders.



Multifaceted Teams including skilled clinical trial educators, nurses, MSLS, National/Key Account Managers and sales reps.



Data and Data Analytics for continued efficiency and performance improvement.

enough attention to this asset's commercial success in the long term – setting the company and the launch up for failure from the get-go.

Partnering with a commercial solutions provider is a viable alternative to building internally or out-licensing. In this model, the company can maintain strategic control and enable value maximization, while not having to build substantial infrastructure internally and take on commercial and medical functions where they have little expertise. They can also maintain a lean corporate infrastructure and enable long-term corporate flexibility in this model.

In today's life sciences landscape, it's most common for small to midsize biotech companies to utilize many vendors for product launch needs when they decide to launch the product themselves. This can sometimes involve their own operations team plus six-to-eight outside vendors. Allocating the launch process to such a variety of external parties spreads the risk but often creates gross inefficiency from a lack of centralized view and redundant efforts. It can also impact decision making as managers find it hard to deploy a cohesive, integrated launch process.

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Such widespread outsourcing, however, is reflective of the times. Under high pressure to contain fixed costs, most drug companies are currently reducing their internal capacities in R&D, manufacturing and even marketing and, instead, increasing their outsourcing. “To a large extent,” stated one analysis, “drug companies, large or small, now rely on outsourcing service providers more than ever to fulfill their tasks, solve their problems, and improve their efficiency and productivity.”¹

Stop Running to Stand Still

Most life sciences companies leverage external partners to bring a new product to market. Historically, companies have hired traditional contract sales organizations (CSOs) for their ability to scale sales resources up and down as needed, but that was just one dimensional. To continue down this same path is like running to stand still. To make progress, the modern world requires multidimensional support that not only includes scalable field teams but also a richer breadth and depth of customer engagement staff like clinical trial educators, clinical nurse educators, medical science liaisons, key account managers, national/government account managers, field reimbursement specialists, and sales representatives who all work in concert. The third, and possibly most important but least offered

dimension is data — combined with analytics to drive leaps in performance both in the field and in efficiency in terms of planning before and throughout the launch and ongoing commercial deployment.

By collaborating with a single partner that offers such integrated, three-dimensional support, companies of all shapes and sizes improve efficiency and success. One reliable vendor that can flexibly manage all outsourcing needs will deliver a comprehensive solution that maximizes product launch success.

Outsourcing fully to a single, three-dimensional partner delivers numerous benefits, including:

1. Valuable Insights – A comprehensive outsourced partner has access to meaningful healthcare information across many dimensions that can help life sciences companies make better, more informed decisions earlier in the launch process and throughout commercialization.

2. Less Risk – An end-to-end partner minimizes operational risk by providing an experienced, multifaceted commercialization team that can be rapidly deployed (and scaled) for pre-launch and post-launch. More than just sales teams, a 3D partner brings skilled managers and other team members who can expertly guide all commercial operations including market access, medical affairs, marketing, patient engagement and promotion, combined with the necessary data and technology solutions.

3. Streamlined Management – With an eye on the entire picture, a 3D resource can seamlessly coordinate both internal and external teams while maintaining promotional best practices throughout launch. It also reduces administrative burden with one point of contact for communications, performance measurement, and reporting.

4. Business Alignment – Having a complete view of the before, during and post-launch activities as the end-to-end outsourced team creates both near-term value balanced with future strategic alternatives to support the business. Additionally, a single partner naturally simplifies processes, providing agility to be able to make changes as needed and building in that crucial flexibility.

If executives decide to build launch capabilities internally, an end-to-end outsource partner can also be an advantage by supplementing with skilled personnel for the build plus the end-to-end launch infrastructure that the company needs to manage and support a field team while the internal build takes place. However, only a company with a rich set of multidimensional support capabilities will do

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— otherwise, it becomes a matter of sourcing capabilities in bits and pieces to a messy web of niche vendors.

Also, instead of partnering with a large pharmaceutical company and inheriting the risk that the company will be distracted by its own products, a single outsourced partner provides its complete focus — and the focus of the teams that it puts in place. And, this partner doesn't only build teams on the ground; it also builds all operations around the team including data, data analytics, sales force automation, business analytics, performance management, recruiting and sales training capabilities.

Going “3D” provides a totally objective and complete view of company's unique situation. This is invaluable: “There is no substitute for a fresh, on-the-target analysis tailored specifically for current purposes alone,” claims Verix. “There are so many factors and processes affecting your analytical needs and that is why each launch carries with it a different set of characteristics to address the unique concerns of the specific target audience, and so each should have its own data analytics solutions. You need to look for an analytical solution that is flexible enough to be configured to your exact, particular needs.”²

QuintilesIMS recently teamed with a global pharmaceutical company that discovered a popular anti-inflammatory drug to maximize their commercial performance across a wide spectrum of needs, including data management and analytics, cost-model analysis and changing the company's incentive program for sales reps. By managing all of these aspects of the company's launch program, QuintilesIMS uncovered bottlenecks to market and quickly allocated the appropriate back-office support

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to eliminate these delays, ultimately improving the go-to-market strategy and execution. Typically, when this type of company makes such changes in its launch process on its own using an existing internal team, it can take nine to 12 months. The QuintilesIMS team accomplished the same transformation in just eight to 10 weeks.

Bottom line? Life sciences companies that are pouring millions of dollars into clinical R&D simply cannot afford a false start. Done right, 3D outsourcing not only speeds market launch but it can also help a new medicine outperform expectations by facilitating rapid and more widespread uptake by healthcare professionals and even patients. It is a huge advantage — in terms of increased efficiency and flexibility, full visibility and greater control, and data-driven decision making — to outsource the launch to a partner that can manage all of its dimensions from end to end. **PV**

Editor's Note: ¹ “New Global Pharmaceutical Outsourcing Trends,” *Pharmaceutical Online*, 2011. For more: <http://www.pharmaceuticalonline.com/doc/new-global-pharmaceutical-outsourcing-trends-0001> ² “4 Tips to Boost Your Pharma Drug Launch,” *Verix*, 2014. For more information: <http://verix.com/4-tips-boost-pharma-drug-launch>

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