



PMRG 2010 Annual National Conference

*Waves of Change: Preparing Wisely for
Healthcare's Uncertain Future*

Overview

“We have to be innovative. We need to find ways to analyze evidence and integrate different sources of data and, in particular, help clients to manage ever more limited sales and promotion resources,” said Quintiles’ Market Intelligence Managing Director, James Kirk. Kirk was commenting on the messages heard by delegates at this year’s Pharmaceutical Market Research Group (PMRG) annual national conference (Orlando, Florida; March 21-23), titled *Waves of Change: Preparing Wisely for Healthcare’s Uncertain Future*. As a member of the CEO panel that discussed *Reflections on a Tumultuous Year and Predictions for an Uncertain Future*, Kirk asserted that: “Like it or not, we have to do things faster, cheaper and, at the same time, better.”

Conference keynote speaker Dan Heath, co-author of *Switch: How to Change Things When Change is Hard*, described how meaningful, lasting change is created within us — and in the workplace. His approach aligns two different and often conflicting parts of our brains: the intellect and the emotions. Using the analogy of an elephant (emotional) and a rider (rational), he said the rider must consistently motivate the elephant to stay on the right path toward an identified change — even as the animal wants to stampede off elsewhere! Within organizations, this approach requires first shrinking the change elements, the journey to be taken, to manageable pieces. The catalyst for change must then find out what motivates employees emotionally and demonstrate, in rational and concrete terms, how the change will bring about results that are ultimately more satisfying on both levels for everyone.

Insight, innovation and integration were key themes throughout the PMRG conference. Presenters highlighted new twists on methodologies, critical industry macro-trends and strategies aimed at understanding not only how to cope with the myriad of changes on the horizon — but how to take advantage of opportunities and improve market research (MR) practices in *the New Health* arena.

Key Insights

To hedge the uncertainties of the future and grapple with the ongoing problem of “doing more with less,” the biopharmaceutical sector will have to gain fresh insights into how to conduct more efficient market research. This will need to be done *earlier* in the development process, using more novel approaches to business questions, and finding better ways to capture and synthesize not only stakeholders’ interests, but existing data with new findings. “Instead of doing lots of one-off research projects, for example, we will be doing more comprehensive and balanced work that is more far-reaching; it’s just much smarter research that means better decision-making for clients,” said Karen Ahlgrim, research director at Quintiles. “It’s about being more innovative and creative about how to spend those MR dollars.”

Breakout sessions emphasized new ways to view methodologies, such as using Bayesian Networks to forecast market evolution, linkage analysis to improve decision-making and market segmentation to understand the increasingly patient-driven environment. Others focused on deepening industry understanding of more qualitative concerns like the changing attitudes of physicians and patients, increasingly restrictive hospital access, cultural concepts of illness on the global front, shifting roles of pharmacists and other influencers and the threat of generics to the future of branded biologics.

Informal discussions centered on the new healthcare bill; conference delegates generally responded positively. The reforms are expected to impact pharma in several ways, including: the regulation of generic biologics, continued flexible drug pricing, lack of government regulations for Medicare Part D and the general move toward comparative effectiveness research (CER).

In all these instances, as the “waves of change” swell, MR will deserve a seat at *more than one* table of corporate decision-making and should be engaged earlier in the development process. “Beyond MR’s classic bailiwick of marketing issues, many of the overall corporate decisions that go into launching and sustaining successful biopharma products can benefit from MR contributions,” noted Kirk. “Just as clients will have to *earn* success in the marketplace by winning the battle before Phase III of the clinical trials, we have to *earn* the right to be a major player.”

“Just as clients will have to *earn* success in the marketplace... we have to *earn* the right to be a major player.”

Just how powerful an ally MR can be was demonstrated by the case study presented in *Peering into the Future: Probabilistically Forecasting Long-term Market Landscapes via Bayesian Networks*, by Pieter Sheth-Voss of Quintiles (Senior Director, Product Innovations) and Dan Ward of Pfizer (Director, Market Analytics). These networks allow researchers to synthesize the qualitative and quantitative projections of diverse experts, and represent the key uncertainties, decisions and outcomes shaping future markets. In this case, involving serious infections and covering a range of conditions and therapy classes, this research yielded bold predictions for the market 12 years out that significantly shaped both long-term clinical research strategy and near-term commercialization strategy.

Key Takeaways on the Future of Market Research

Panoramic Scope Covering All Stakeholders

“Market research must move beyond physician-centric data to include not only payers, patients and, on the global stage, regulators, but patient advocacy groups and public policy-makers to uncover the most useful insights for clients,” Kirk reported. Routinely capturing the needs, attributes and opinions of these groups engenders a more balanced and complete view of market dynamics that directly impact clients’ products.

Optimizing Shrinking Budgets

Budgets are tight, and bound to get worse with the looming “patent cliff.” Creative, integrated findings — and addressing multiple questions in one study — are essential going forward. This also means relying on smaller sample sizes across fewer locations, which requires forging seamless, consistent research relationships. To deliver critical results with confidence and conviction means synthesizing or triangulating findings: integrating solid primary research and secondary data with an expert clinical and methodological knowledge base.

Rise of Comparative Effectiveness Research

CER and evidence-based decision-making are growing in the United States. In the future, therapeutics will have to earn their way to the market, showing unequivocal benefit over the current standard of care, and any existing and looming competitors. Market researchers will be the key to helping pharma understand much earlier in the process the comprehensive market landscape, what the FDA views as the bar for entry and how a specific product must ultimately perform to succeed. More than ever, market research will be in a position to help clients avoid wasting money and resources on fruitless inputs and metrics — and get on the right track right from the start.

Responsiveness to Client Needs

MR must be more in tune with each step in the development and decision-making processes that are critical to clients. During the panel discussion, Kirk coined the acronym VIGOR — Valuable, Innovative, Global, Outstanding and Responsive — to sum up what researchers must demonstrate in the future in order to earn their place as critical members of the team. In the end, what truly differentiates a top researcher is someone who probes deep enough to fully understand the needs of the project team before even settling on a methodology, he added, for “this is the hallmark of being valuable to clients.”

Presentations from the PMRG 2010 annual national conference are available to download at: <http://www.pmrg.org/EventsAwards/PastEventsPresentations/2010ANCPresentationsVideos/tabid/497/Default.aspx>

Bios



Karen Ahlgrim

Karen has over 20 years of market research experience across a variety of industries, including healthcare, and is a recognized leader in the MR industry. Prior to joining Quintiles, Karen served pharmaceutical clients as an Account Director at GfK, and as EVP Marketing at M/A/R/C Research. Karen is the new chair of the program committee for the PMRG annual conference, has been a frequent speaker and committee member with the American Marketing Association and has been published in Quirk's Market Research. She holds an MBA in management from the University of Dallas and a BS degree in biology/chemistry from the University of Wisconsin.



Jim Kirk

Jim has spent 35 years in marketing and market research. He joined Quintiles' Market Intelligence and Analytics practice (formerly Eidetics) in 1988 from senior management positions in consumer and industrial product marketing, strategy and business development at Gillette and Ocean Spray. In addition to his position as Managing Director at Quintiles, he serves as strategic consultant for many of the firm's major new product launch support programs for biopharma clients, both domestically and globally. Jim's particular areas of interest are brand and portfolio strategies, including positioning platform development, lifecycle management, market segmentation and linked model forecasting. Jim's degrees include a BA in biochemical sciences from Harvard, as well as an MA from Stanford. He has been a regular presenter at national PMRG meetings, and taught for seven years as part of PMRG's Promotion Response Workshop.

Contact Us:

On the web: www.quintiles.com/consulting/market-intelligence

Email: consulting@quintiles.com

