

MARKET INSIGHTS

Beyond 2020

COVID -19 Sparks Transformation of the Pharma Model



Helen Kalra
Director



Marc Lafoley, MSc
Director



COVID-19 is a humanitarian crisis that’s now having a growing impact on Canadian healthcare. Popular opinion seems to be that “the new normal”, whatever that looks like, will not arrive before the second half of 2021.

Pharma’s model, and the very means of interacting with stakeholders across the healthcare system, hasn’t changed much over the last 20 years. Pharma and biotech companies have historically focused primarily on face-to-face interactions, based on a reach/frequency model, to promote products and services. Other channels – like digital – have been considered complementary, as regulatory and compliance constraints slow adoption, and cause the healthcare industry to lag significantly behind other sectors in this regard.

In the face of so much transformation, that’s about to change. Healthcare practitioners graduating today were born with access to the internet. Other consumers have spent a generation using technology which has become an ubiquitous part of their lives. “Hey, Alexa” and “Hey, Google” are now synonymous with the evolution and consumption of media and information.

These changes are disrupting the very way patients and healthcare practitioners pursue information, and are influencing the sources of that information. That’s dramatically changing how stakeholders in healthcare interface with one another.

COVID-19 has had a significant impact on the daily operations of healthcare providers. In-person interactions are significantly down; appointments, treatments and

procedures are being deferred. There's an uptick in demand for remote treatments, as well as a need for patient care that's closer to – or directly in – the home.

Taken together, those factors are driving a need for novel ways of educating patients starting new therapies, ideally including those in their circle of care, and in particular where new models of care are initiated. The healthcare system will also need to adapt its approach to deal with a backlog of patients and procedures. Companies offering innovative approaches to the challenges of this new environment will have the opportunity to lead, influence change and succeed.

This has imposed an immediate change in the pharma-biotech-HCP dynamic, and lasting effects are expected to continue shifting these interactions in the future. A burning platform is emerging for pharma/biotech organizations to reassess how they navigate these considerable shifts in healthcare delivery, and bring value to various stakeholders.

Some organizations are looking at how they can maintain the sales representative at the centre of communications and customer interactions, but have them deliver value through alternate channels. Others are considering how to redefine the customer-facing role, starting with the patient journey and creating a broader customer interface model. It will be important to also redefine what other channels patients and the HCPs in their circle of care prefer for delivery of information, education and support services.

Keeping the patient experience at the forefront will be an important ingredient for success. Data to understand the patient's needs and experience (vs what HCPs perceive the patient's needs and experience to be) must be incorporated into decisions on the best go-forward model. Different models will emerge based on company product portfolios.

Foundational shifts like this require leadership commitment, a change in the company's focus and perhaps, even in organizational culture. Those that have the courage to reimagine and evolve the model quickly will lead what could be a very significant positive turn for the industry and most importantly the patient.

CPM

Helen Kalra, Director, and Marc Lafoley, Director, The Pangaea Group are based in Toronto and Montreal respectively. Helen has managed through a range of business situations, including corporate restructures, co-promotions, patent expiries, mega-brand launches, hospital strategies for primary care brands and significant changes to reimbursement policy. Marc has worked on several product launches that include the creation of new therapeutic markets, line extensions and late-entry products, along with successful development and implementation of "loss of exclusivity" strategies for many other products. Helen and Marc bring over 45 years combined in pharmaceuticals.

*Share your thoughts and engage with
Helen – hkalra@pangaea-consultants.com and
Marc – mlafoley@pangaea-consultants.com.*