

LAUNCH EXCELLENCE: WHY SO ELUSIVE?

By Doug Pfaff

New product launches have always been high stakes initiatives for pharmaceutical and medical device manufacturers. Today, the cumulative effect of increasingly innovative competitors, looming patent cliffs and shrinking windows of time to capture returns has amplified the pressure for successful launches.

Financial investment alone doesn't guarantee results. Despite the significant budgets allocated to new product launches, most still fall short of forecasted revenues. As disruption continues to reshape the market, drug and medical device organizations need to understand and address the underlying factors that promote launch excellence.

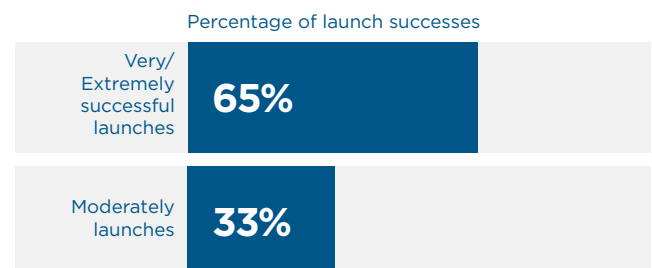
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To understand how teams approach the launch process and identify what drives success, Huron surveyed more than 50 cross-functional pharmaceutical professionals, over half of which

have been involved in more than five launches in the last decade. Respondents' feedback reveals distinct opportunities to elevate traditional launch tactics and improve outcomes.

Building a Strong Foundation for Launch Success

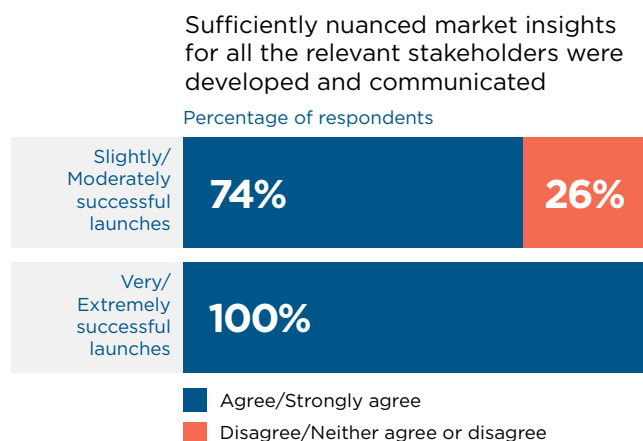
Sixty-five percent of respondents rate their last three launches as "very" or "extremely" successful, with one-third reporting "moderately" successful launches. These findings are somewhat contradictory to industry benchmarks, suggesting that launch teams may judge their own achievement in ways beyond the forecast. Notably, respondents from affiliate operations report higher levels of success than those at the global level (83 percent vs. 57 percent respectively answered "very/extremely successful"). This difference highlights an apparent advantage of planning the more targeted, localized launches.



Survey results highlighted that launch success depends on effective execution of critical planning steps, including:

- Comprehensive market insights.** Ninety-one percent of all respondents agree that their teams develop and share robust market insights. Confidence in these insights, however, is greatest among respondents who report higher than average launch success.

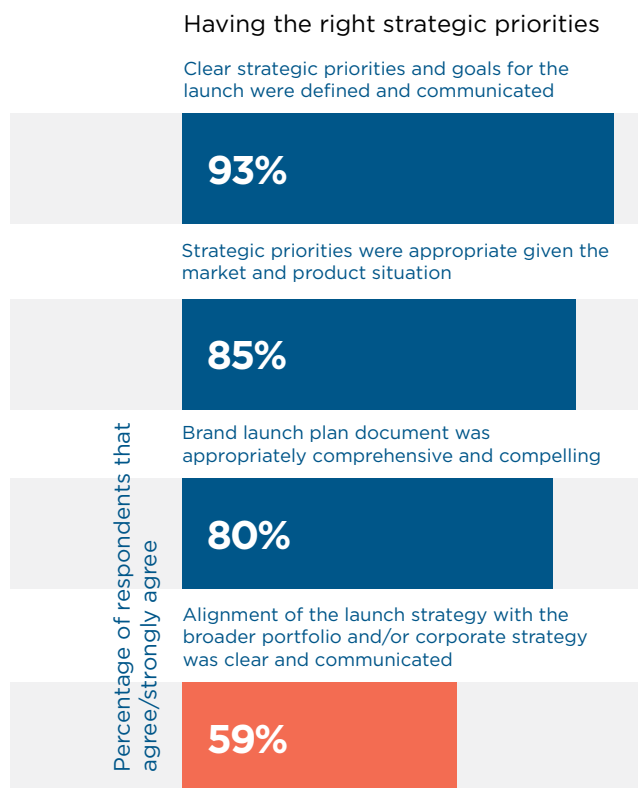
As the life sciences industry transforms, the importance of high quality market research cannot be understated. Capturing data around not only consumer and provider behavior, but also payer and caregiver needs, is essential to effective launch planning.



- Alignment between launch and corporate priorities.** Teams who plan within the context of a long-term corporate vision are more likely to show positive results. Unfortunately, pressure to meet shareholder expectations and create new growth often fosters a sense of tunnel vision around individual launches, leading to a lack of alignment with the broader corporate and portfolio strategies.

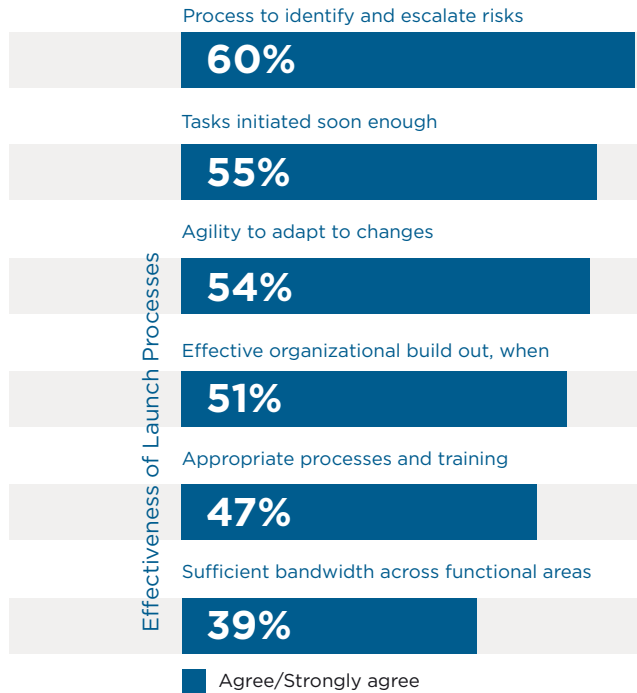
Fissures between product and enterprise-wide plans can disrupt not only the current launch, but also marketed products and future launches. Resource allocation and other investment decisions made in isolation can be misinformed.

Notably, respondents who work in market access are five times more likely than those in marketing to disagree with statements around strategic launch priorities. This may shed light on a key factor for a successful product launch: elevating market access teams' involvement in strategic planning.



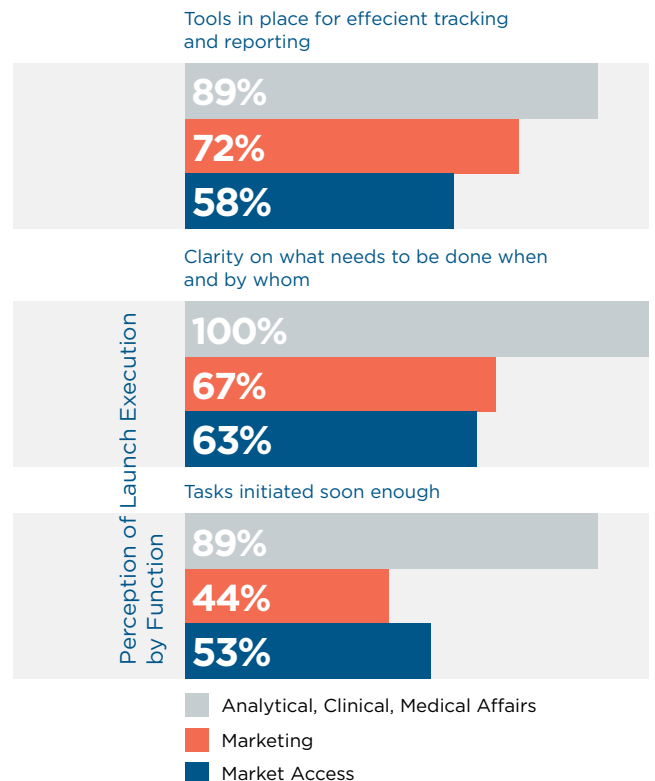
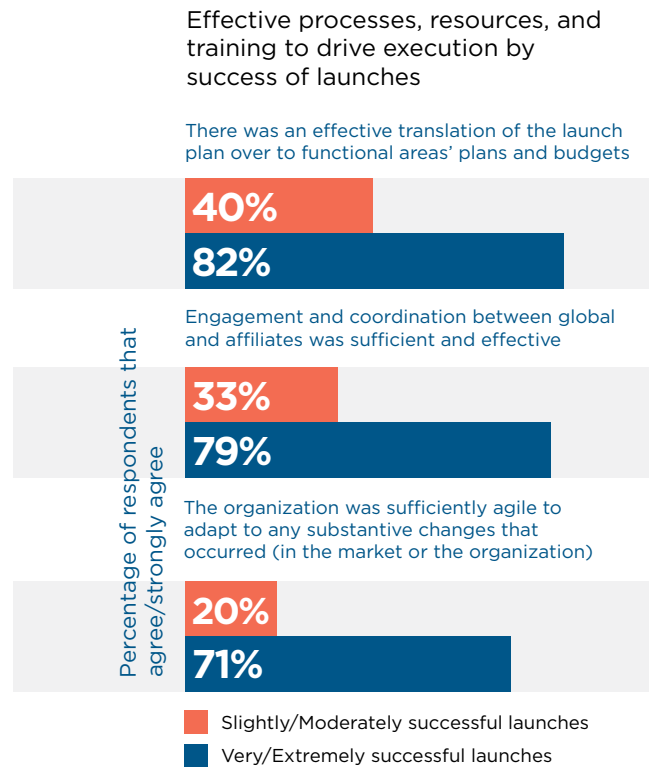
The Impact of Agile, Collaborative Launch Processes

Assembling the right resources, team and timelines plays an outsized role in executing successful launches. However, a significant portion of the pharmaceutical professionals surveyed experience deficiencies in each of these areas. Misjudged timelines, miscalculated bandwidth and inflexible processes continue to plague launch efforts.



- Flexibility.** As consumer needs and market threats evolve more rapidly, organizations need to ensure their launch approach is designed with agility in mind. Pharmaceutical professionals who rate recent launches as very or extremely successful are almost four times more likely to feel their organizations are nimble in the face of change.
- Cross-team communication.** Survey respondents who report above average launch success are more likely to proactively coordinate tactics and budgets across their organizations. The core launch team must integrate launch resource needs into each functional area’s plans and budgets and prioritize collaboration between global and affiliate teams.
- Marketing and market access engagement.** Compared to colleagues in medical affairs, analytics and clinical roles, market access and marketing professionals are less optimistic about having the resources and role clarity needed to execute a successful launch. Given marketing and market access groups’ broader roles in supporting a launch, they’re more likely to bear the brunt of ineffective processes. Equipping these teams

with the right tools, and communicating their responsibilities well before a launch, is vital to keeping initiatives on time and on budget.



Launch Playbooks: An Iterative Process

The ability to learn from past launches and embed best practices into a repeatable model, while obviously valuable, represents an ongoing challenge for pharmaceutical organizations. Only around one-quarter of respondents think their companies excel in this area.

Organizations are likely recreating the wheel (for at least portions of the launch process) for each new product, elevating the likelihood of inconsistencies and inefficiencies. An enterprise-level launch framework can address many of the core issues that hamper these efforts in the first place. Such a launch playbook isn't immutable, but rather something to regularly revisit as market trends and internal capabilities evolve.

In your experience, how well are best practices applied across multiple launches within the same company?



Making Launch Success Less Elusive

Product launches are inherently optimistic occasions for companies, representing opportunities to generate new sources of revenue and engage new customers. However, reality often falls short of expectations.

To combat new competitive threats and escalating financial obstacles, pharmaceutical leaders have an imperative to reassess the traditional launch approach. Organizations that proactively align product and portfolio strategies, develop more nimble processes, and simplify cross-functional collaboration can begin to flip the odds of launch success.

Key Takeaways

Overcoming the barriers to an effective product launch requires life sciences organizations to:

Think differently.

Define the role each launch plays within the broader corporate and/or portfolio strategies, rather than treating each rollout as an isolated event.

Plan differently.

Design launch processes that increase your team's flexibility to adapt to market or timeline changes.

Act differently.

Develop an enterprise-wide, dynamic launch model and foster a culture that values continuous improvement around launch practices.



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