Assessment of the gastrointestinal (GI) market

Case study

Strictly Private and Confidential

bostonANALYTICS
(A division of Pythhos Technology (P) Ltd.)

BA developed a market assessment for gastrointestinal (GI) primary care in emerging markets for a global pharmaceutical company

Client Background

- The client is a leading pharmaceutical company headquartered in France and offers a diversified portfolio of drugs in both specialty and primary care. It has presence across more than 100 countries, with annual revenue of over €1B
- The client sought to increase revenue of its primary care business with the launch of its GI portfolio[(A)] in five emerging markets – Brazil, India, Saudi Arabia, Turkey, and the UAE

Key Highlights

- **Project Scope:** BA delivered an in-depth understanding of the markets and therapy-specific opportunities based on following parameters:
  - **Disease Overview:** Prevalence rate, diagnosis, and treatment along with patient treatment pathways to identify market needs and key influencers in driving prescription and purchase behavior
  - **Market Assessment:** Opportunity size by disease, therapeutic area, and retail channel addressing any differences by geographic concentration and /or customer segment
  - **Competitive Landscape:** Key players' market share, product portfolio, positioning, pricing, and route-to-market (RTM)
  - **Channel Analysis:** Distribution models, activities, and margins; retail and institutional landscape and role in targeting different customer segments
  - **Regulations:** Policies and processes shaping opportunity and strategy for market entry and commercialization including business model, licensing and registration, pricing, reimbursement, labeling, marketing and advertising, and more
  - **Healthcare Infrastructure:** Overview of healthcare infrastructure by country with analysis on availability and accessibility of specialized GI- specific services
- **BA Approach:** BA conducted an extensive literature review and a detailed in-country primary research with key stakeholders (including government officials, pharmaceutical companies, distributors, retail channel entities, physicians, pharmacists, and experts) across all five countries and multiple cities. This enabled the client understand the nuances of operating and succeeding in these countries
- **Outcome:** BA delivered a comprehensive assessment of the market opportunity and recommended go-to-market and route-to-market strategies which helped the client secure Board approval for market entry and portfolio commercialization. BA's work included recommendations on an optimal market entry model, projected timeline, commercial organization structure, therapeutic priorities, and patient segment targets, enabling the generation of new revenue streams

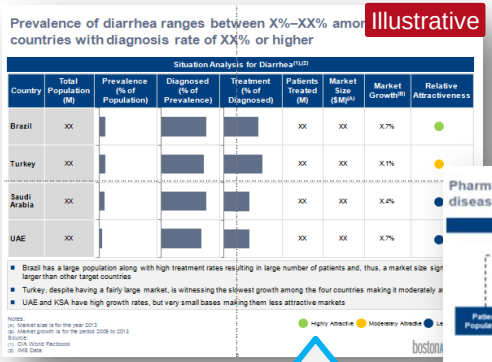
Key Business Questions

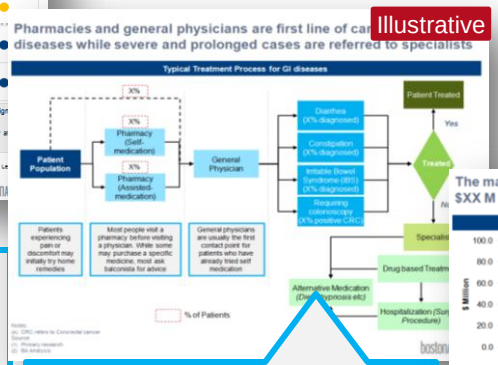
1. What is the current and future market opportunity for GI drugs? Which therapies offer the best potential? What is the opportunity for Rx vs. OTC classification and sales?
2. What are the key market regulations? Which business model is most efficient and will best ensure successful commercialization?
3. What are the competitive dynamics by therapy area? Who are the market leaders and how are they structured? What are their core strategies?
4. How is institutional and retail pharmacy trade structured? Which channels are most attractive and how can they best be penetrated? What is the best RTM?

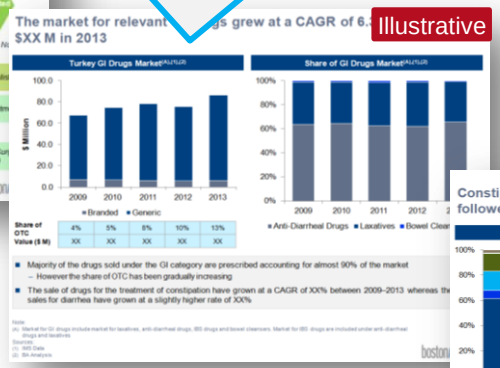
Note:
(A) GI diseases under scope: Diarrhea, Constipation, Irritable Bowel Syndrome (IBS), Bowel Cleansers, Ulcertaive Colitis, Crohn's Disease and GERD

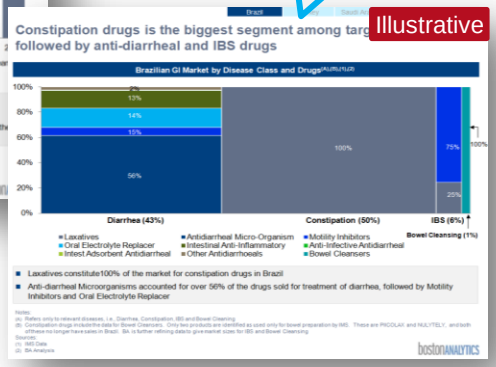
Disease prevalence, diagnosis and treatment rates were studied to determine market opportunity across each market

1. What is the current and future market opportunity for GI drugs? Which therapies offer the best potential? What is the opportunity for Rx vs. OTC classification and sales?
2. What are the key market regulations? Which business model is most efficient and will best ensure successful commercialization?
3. What are the competitive dynamics by therapy area? Who are the market leaders and how are they structured? What are their core strategies?
4. How is institutional and retail pharmacy trade structured? Which channels are most attractive and how can they best be penetrated? What is the best RTM?









BA analyzed the prevalence, diagnosis and treatment rates of GI diseases across five countries to provide both a localized and comparative view of market attractiveness. This helped the client understand each of these markets and prioritize and target the most attractive opportunities

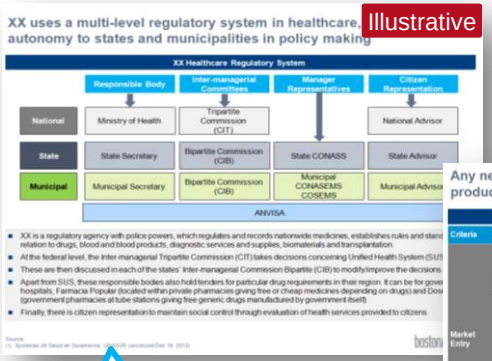
BA defined the typical patient treatment pathway, mapping the role of healthcare facilities and providers involved. BA identified the stakeholders influencing treatment and drug purchase decisions to enable the client to determine where to develop strategic relationships

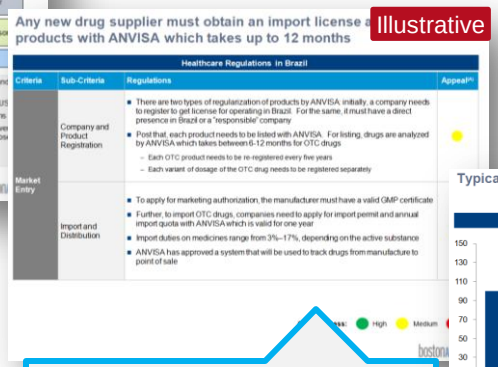
BA quantified the size of the GI drugs market and of each therapeutic area for each country. BA provided a view on fundamentals of market structure, including the share and perception of branded vs. generic drugs, OTC vs. Rx drugs

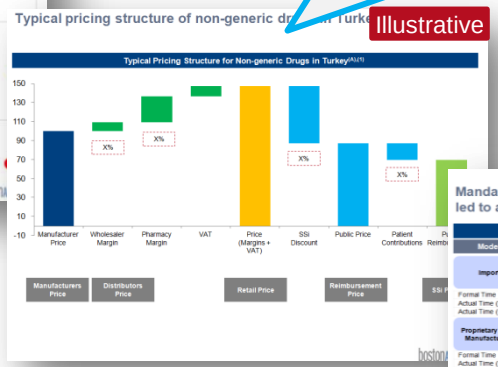
BA provided a cross-sectional analysis of the GI market by disease and determined treatment and drug prescription patterns to help define and contextualize the market opportunity for the client

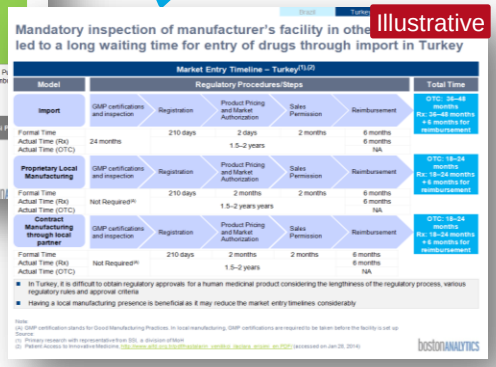
Regulatory factors required for commercialization of products and evaluated the business model for fastest market entry were studied

1. What is the current and future market opportunity for GI drugs? Which therapies offer the best potential? What is the opportunity for Rx vs. OTC classification and sales?
2. What are the key market regulations? Which business model is most efficient and will best ensure successful commercialization?
3. What are the competitive dynamics by therapy area? Who are the market leaders and how are they structured? What are their core strategies?
4. How is institutional and retail pharmacy trade structured? Which channels are most attractive and how can they best be penetrated? What is the best RTM?









BA identified and mapped the agencies that regulate the pharmaceutical industry and drug approval in each country. BA defined the scope of their role and influence in the regulatory process. It estimated the expected time for commercialization based upon multiple scenarios, including a view of official and actual approval timelines

BA analyzed key regulatory steps related to commercialization of the client's product, including licensing and registration, facility inspection, pricing, reimbursement, labeling, promotion, etc.

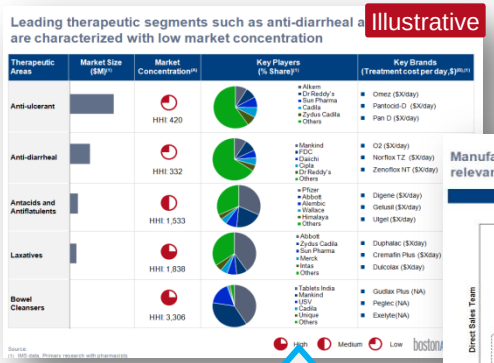
BA defined the implications and risk of international reference pricing and compulsory licensing according to individual country requirements and precedents

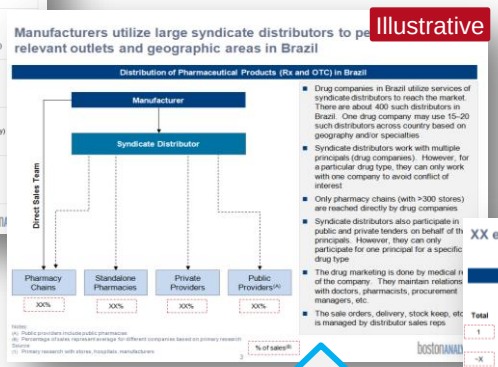
BA weighed all market entry options with associated steps and timelines for approvals to determine the most attractive and efficient market entry model

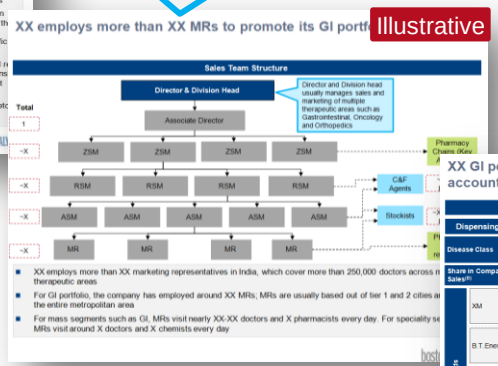
bostonANALYTICS

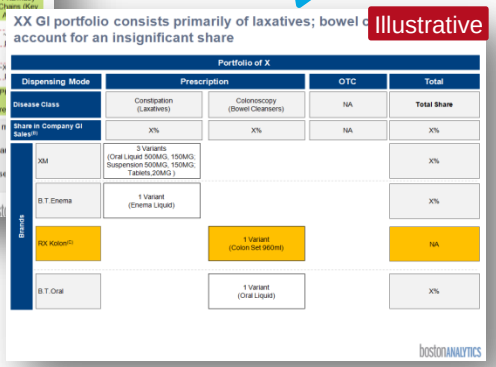
BA identified leading players within drug categories, RTM for targeting retail and institutional customers and pricing analysis

1. What is the current and future market opportunity for GI drugs? Which therapies offer the best potential? What is the opportunity for Rx vs. OTC classification and sales?
2. What are the key market regulations? Which business model is most efficient and will best ensure successful commercialization?
3. What are the competitive dynamics by therapy area? Who are the market leaders and how are they structured? What are their core strategies?
4. How is institutional and retail pharmacy trade structured? Which channels are most attractive and how can they best be penetrated? What is the best RTM?









BA analyzed the market share of companies within each drug category(e.g. laxatives) and the cost of treatment for top drugs to help the client develop an estimate of potential revenue by country, by product

BA studied the Go-To-Market (GTM) and Route-To-Market strategies of the top 3 players in each country, differentiating between institutional and retail pharmacy channels

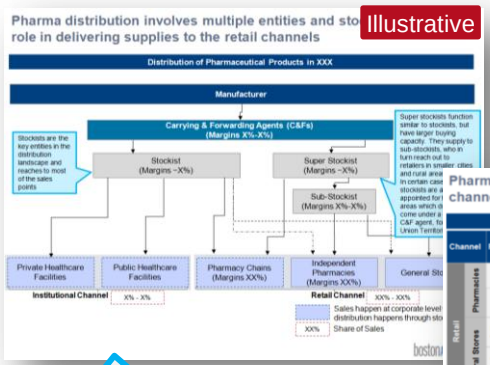
BA identified the sales and distribution team structure for the leading players in each country to enable the client to help define the optimum team size and structure

BA studied the product portfolio, pricing, strategy, and key success factors of leading companies to help the client understand its competitive position

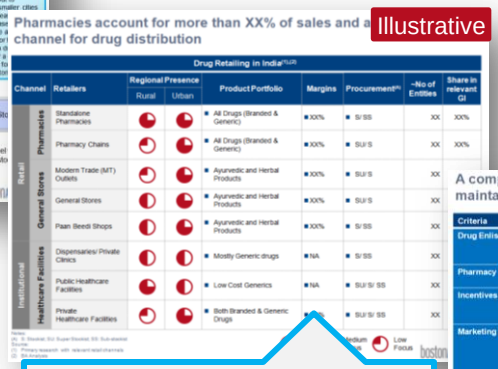
bostonANALYTICS

The distribution and retail landscape were analyzed to recommend a profitable RTM roadmap for each country

1. What is the current and future market opportunity for GI drugs? Which therapies offer the best potential? What is the opportunity for Rx vs. OTC classification and sales?
2. What are the key market regulations? Which business model is most efficient and will best ensure successful commercialization?
3. What are the competitive dynamics by therapy area? Who are the market leaders and how are they structured? What are their core strategies?
4. How is institutional and retail pharmacy trade structured? Which channels are most attractive and how can they best be penetrated? What is the best RTM?

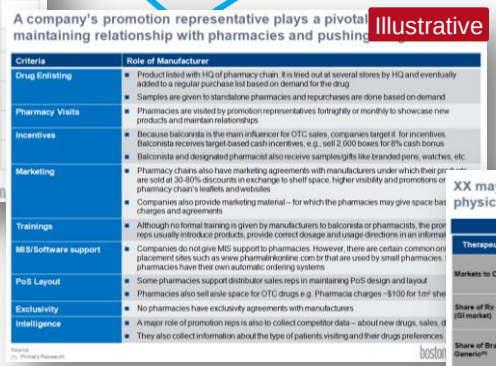


BA studied the sales and distribution structure used by pharmaceutical companies in each market to assess both institutional and retail pharmacy customers. BA determined the contribution, margin and role by channel entity

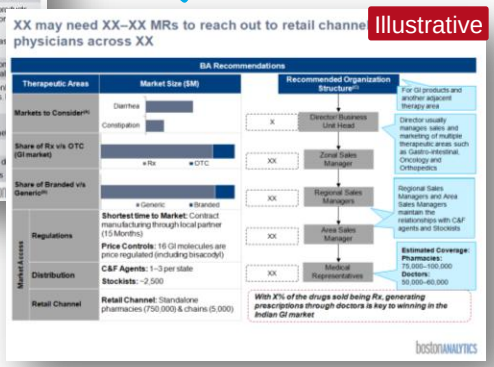


BA mapped the role of each retail entity, degree of influence on patients (customers), manufacturer enlisting criteria, and procurement process while highlighting key regional differences

BA studied manufacturers' activities with respect to each channel entity to understand how they can be incentivized to sell the client's products



BA developed a market entry roadmap with details on prioritized target markets, business model, organizational structure, and channels to leverage



For more information, please contact us at:

contact@bostonanalytics.com
+1- 617-415-1691

www.bostonanalytics.com

Boston Analytics ***(A division of Pythhos Technology (P) Ltd.)***

Boston
396 Washington Street,
Suite 351,
Wellesley, MA 02481
United Sates

New York
15 Schuyler Hills Road,
Loudonville, NY 12211
United States

Gurgaon
18th Floor, Tower-B,
DLF Building No. 5
DLF Cyber City, Phase-III
Gurgaon – 122002
Haryana, India

Disclaimer: No part of this presentation may be reproduced, stored in a retrieval system, or transmitted in any form or by any means—electronic, mechanical, photocopying, recording, or otherwise without the permission of Boston Analytics.

All materials in this presentation have been sourced from Boston Analytics' databases. For detailed sourcing information contact Boston Analytics.

Strictly Private and Confidential