

You Have a Product – Now What?

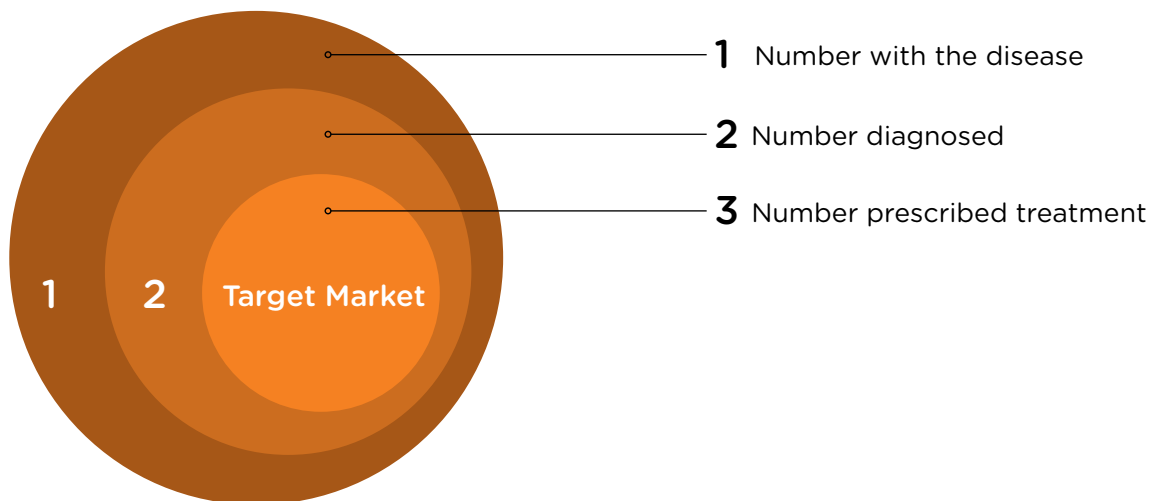
Key Considerations for an Effective Commercial Strategy

Whether a sponsor develops a new product or plans to license an exciting new asset developed somewhere else, commercial success or failure will depend on its understanding of the market and ability to develop an effective commercial strategy. The product may be based on an elegant and compelling scientific premise, but if it does not provide a set of benefits that could change current behaviors, or if it is not accessible to patients, it might be best to consider alternatives.

Fortunately, there are questions sponsors can ask to ensure they have the best chance to develop an asset with commercial potential.

✓ 1. How big is the addressable market, and what do I know about it?

Understanding the size and makeup of the target market can help to determine the revenue potential for a product. When analyzing the target market, it is best to start by establishing the total number of people with the disease. That number can then be broken down further to the number of people diagnosed and, going one step further, to how many of those diagnosed are prescribed treatment. This information can then be used to calculate prescription volume and revenue for the total addressable market.



✓ 2. What are providers currently prescribing, and when?

Unless a product targets a rare disease, providers most likely already have go-to options for their patients. Therefore, understanding provider behavior can give key insights into the likelihood of a product being prescribed.

- What are they already prescribing for the product's indication?
- Are they using it on- or off-label?
- What do they prescribe first, and what is the second-line treatment?
- Is there something the doctors do not like about the current options?

These insights can signal whether a newly introduced product will be prescribed and what it would take to get providers on board.

3. How do patients currently access available prescription medication for my proposed indication?

When determining patient access, there are two things to consider – distribution and payment. What channels are currently used for available products, and can these same ones be utilized again? If not, a significant amount of time, effort, and money will be required to set up new channels, all of which could impact the development and commercialization timeline. A sponsor needs to know what it can charge for its product and whether anyone will pay for it. Would a premium price be possible, or are there low-cost options available? Where do the current options fall within payers' tier structures? The costs of competitor products and how payers define them can indicate the potential pricing for a new product and whether payers will support it.

4. What are my competitors working on, and where are they in development?

The healthcare industry is highly competitive, so identifying potential threats to a product's success is critical.

- Are others working on something similar or targeting the same potential patient population?
- How far along are they?
- Have they hit major milestones, like first-in-patient dosing, or are they still in the discovery phase?

Having as much knowledge as possible on competitors can inform strategic decisions like product placement and differentiation.

These questions can be asked at multiple points throughout development, and many tools and resources with varying levels of rigor are available to help you answer them. At Premier Consulting, we have deep experience assessing the potential market for products and helping sponsors determine which commercial considerations should drive development. [Contact us](#) today to find out how we can partner with you to evaluate the market for your product and integrate your commercial strategy into your overall program.