

Life cycle management strategies more crucial than ever for pharma success

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With shrinking Research and Development (R&D) pipelines and mounting costs involved in drug development, it is becoming increasingly important for pharmaceutical companies to implement suitable Life Cycle Management (LCM) strategies in order to maximize revenues and the lifespan of their portfolios, says business intelligence provider GBI Research.

The company's latest CBR Pharma report states that there are three fundamental categories of LCM strategies, namely developmental, commercial, and regulatory/legal strategies, all of which play a key role in boosting the profitability of pharmaceutical products.

Mr Priyatham Salimadugu, analyst, GBI Research, says, successful LCM planning commences early in the life cycle of a drug, ideally during the R&D phase, and that multiple factors, such as timing, disease characteristics and market environment, should be considered when choosing an LCM strategy.

He comments: "The key to good LCM is not to manage a single product in isolation, but to think in terms of optimizing sales of the company's entire portfolio, both marketed and R&D, through planning and learning across the organization.

"However, the changing industry and regulatory environment is impacting the effectiveness of LCM strategies themselves. As such, LCM strategy selection and implementation needs to be a dynamic and adaptive process, and having access to up-to-date market intelligence is a vital factor."

Mr Salimadugu continues: "Developmental LCM strategies focus on increasing the number of patients eligible to receive a drug, such as by expanding its usage for different indications or targeting rare diseases. These strategies also focus on maximizing patient uptake, by offering more convenient methods of administration, improving dosing frequencies, or reducing side effects.

"Commercial strategies include switching from prescribed to over-the-counter drugs, geographical expansion, and utilizing

price flexibility. In this last case, timing and competitive intelligence are crucial to the success of strategic pricing, as altering the price too early or too late may mitigate any benefit," the analyst concludes.