

SUPPORTING AND ENHANCING YOUR GROWTH INITIATIVES

Growth Topic: Barriers to Adoption

The factors impacting new product introductions today are much more complex than in previous years. Rarely are firms introducing a new product or service that represents a brand new solution to a problem or a new automation approach for a manual process. In most cases, new products are replacing or enhancing existing products and practices. This is particularly true in the pharmaceutical industry in which a primary care physician has his or her established practices and as the new entrant, a firm must convince the physician to change their behavior. There are many factors, beyond the clinical results, that influence the physician and will impact the potential adoption of the new product.

Unfortunately, when products do not perform as expected, most organizations do not take the time to explore all the factors that could impact adoption. They tend to opt for the "easiest" or most common problem (based on their previous experience) which many times seems to reside in another part of the organization. Often the marketing group will blame sales performance while the sales organization blames marketing. Rarely is the problem that easy or straightforward. Firms implement point solutions based on their cursory problem definition and these solutions rarely achieve the results required - because the problem is typically more complex than just having the sales organization increase the frequency of their physician visits or creating a new marketing campaign, for example.

BizDev Resources utilizes an approach that looks broadly across all the factors that might impact adoption - both prospectively for new product introductions and retrospectively for products that are not meeting expectations. Entering markets is relatively easy, but the real value is created when broad adoption of a product occurs. The goal of our approach is to identify those barriers that limit adoption and then to build the strategies and tactics to overcome those barriers and drive market growth. The pharmaceutical market has many potential barriers to adoption, both tangible and intangible, which can cause the physician to delay adopting the new product or not adopt it all. Some of these barriers include:

- **Market segmentation and selection:** What data and research were used to validate the selection of this market segment? Is this data still current and accurate? What has the competitive response been to your entry into this segment? What data did you use to target the specific physician practices?
- **Value proposition:** Is the value of your product clearly quantified? Do you have clinical equivalence or superiority? Can the value be quickly and easily seen (and measured) by both the physician and the patient? How unique is the product? Does it solve a recognized problem in a better/faster/cheaper manner? How important is your solution versus other priorities that the physician must deal with?
- **Awareness:** Is the target segment aware of the benefits of the product? How have you measured this? Who influences the members of your target segment? What approaches have been used to create and sustain awareness?
- **Sales organization:** Is the sales organization calling on the correct segment, at the required frequency, with the necessary marketing and sales collateral? Is the sales organization effective in delivering the message with regard to the value proposition of your product?
- **Use of product:** How easy is your product to use versus the competition? How compatible is the use of your product with existing physician (and office) policies, procedures and processes? What is the full extent of the process of care that the physician must provide? Does it extend outside the physician office or to different physicians?
- **Adoption cycle:** How easy is it for the physician (and patient) to try the product? To move from a trial to fuller adoption? Are there any risks or additional costs for the physician in testing the product or moving to full adoption? Who influences your targeted physicians?
- **Pricing/Reimbursement:** How is the product priced versus all competitive options? Does it pricing take into account any additional costs or risks the physician must bear? Is the product fully reimbursed? How easy is it to get reimbursement (versus the competition)?

The methodology employed by BizDev Resources considers all the potential factors and allows us to better understand the probable root cause(s) of the problem. This disciplined approach utilizes many tools, but at its core, the methodology is based on fact-based planning. We start with your existing data and research and then supplement that information with additional data usually gained through other data sources as well as through interviews with many of the different participants in the market. Once the underlying causes can be identified, specific strategies and tactics can be employed to overcome those barriers. Metrics can be established to measure progress and allow for continual improvement. Only by looking across the entire market "system" can an effective solution be designed and implemented.