



Biopharma & Life Sciences Outlook 2013

Senior life sciences executives face many strategic questions as they plan critical next steps. To help navigate the road ahead, L.E.K. Consulting has developed a high-level forecast for three central issues facing the life sciences industry in 2013 and beyond. In addition to our insights below, we have also developed similar outlooks for a number of additional market sectors across the economic spectrum.



What are the Biggest Challenges and Opportunities Facing the Biopharma & Life Sciences Industry During the Next Year?

Pharma executives need to carefully consider their approach as they work to improve health economics and patient outcomes. To address unyielding pricing pressures and the enhanced requirement for clinical innovation, pharma companies should calibrate their drug development life cycle to select drug candidates early in the life cycle based on efficacy and economics, provide the evidence for approval and favorable reimbursements, and maintain a strong market position through post-launch evidence. This is especially critical given the enhanced focus on curtailing healthcare spending in the U.S. and Europe – and the various approaches that are being enacted or proposed to achieve these goals.

Agility is critical in this environment. Senior executives must be able to quickly adapt to new market realities – and continually course correct based on market shifts – to reach their goals.



What's the Current State of the Industry?

Unlocking new growth opportunities will continue to be a challenge. Headwinds in America and Europe are causing biopharma companies to look to China and other emerging markets. Although China represents a significant opportunity, it usually requires a new commercial model for success. Only a small percentage of China's population can afford branded Western drugs, and dramatic market differences include the emphasis on generics, end-of-life drugs and biosimilars. Distributors hold the key to reaching providers in China, which requires Western pharma executives to rethink their commercialization and growth strategies for this region.

In the U.S. and other developed markets, biopharma companies will continue to focus on areas including companion diagnostics, orphan drugs and biosimilars.



What Burning Issues are Senior Executives Facing?

What's the best approach to engage with consumers who are more informed than ever about healthcare options and are increasingly active in determining their course of care? Successful commercial models must place a significant focus on patients, and provide them with effective and interactive touch points throughout the patient experience. Customer relationships today are extending beyond online patient communities and educational web sites to include tools such as iPhone apps that help diabetes patients measure and maintain appropriate blood sugar levels.

Successful programs must continually anticipate evolving compliance guidelines for patient outreach, and align consumer-focused activities closely with initiatives that deliver tailored messages to insurers, providers and other key constituents.

Our Biopharma & Life Sciences Practice

L.E.K. Consulting is a premier strategic advisor to the life sciences industry. Our clients include four of the top-five global biotech companies, nine of the top-10 global pharmaceutical companies, leading tools and diagnostics companies, and many of the most innovative emerging public and private companies in the industry.

Capabilities Overview

Small, mid-size and large multinational life sciences companies routinely engage us to:

- Expand into New Markets:** We help our clients to expand into new geographies and market segments. This includes mature and emerging markets; prescription and consumer markets; primary and specialty care markets; chronic, acute, and orphan markets; research and non-research markets; and new, innovative markets. Our market access strategies for clients open the door for growth and long-term value creation.
- Execute Value-Creating Deals:** We support our clients at every stage of the deal life cycle – from evaluation to execution to integration. We have helped our life science clients execute more than \$US120 billion worth of transactions including M&As, partnerships, joint ventures, divestitures and royalty monetization transactions.
- Launch Innovative Products and Services:** We team-up with our clients to develop commercial launch strategies in mature and emerging markets. We have a proven track record of success and have supported leading pharmaceutical and biotech brands worth over \$US30 billion in annual revenue. Our commercial planning and launch expertise includes pharmaceutical and biopharmaceutical drugs, vaccines, life science tools, diagnostics, and associated support services.
- Optimize Operations:** We work closely with our clients to optimize processes, operations and organizational structures across the life sciences value chain. Our work for clients has increased productivity and contributed to top- and bottom-line growth at the corporate, business unit, and operational team levels in a number of life sciences sectors.

Meet Our Experts



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