

From product to customer experience: The new way to launch in pharma

McKinsey Pharmaceuticals & Medical Products (PMP)
Launch Service Line



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Blood Pressure
120/80

Pulse Rate
[Heart Rate Graph]

Respiration Rate
12 breaths/min

Normal Breathing

Body Temperature
T1 **97.8** °F
T2 **36.5** °C


Blood type

A	B	AB	O
+	+	+	+


Scan in progress

Amount scanned

50%



From product to customer experience: The new way to launch in pharma



Traditionally, pharma launches have been all about the new drug or medical device in question: its clinical efficacy, its safety, its superiority to alternatives, and its ease of use. In the build-up to launch, the product is front and center and the goal is to address patients' medical needs and prescribers' professional needs. Any issues with customer satisfaction and loyalty are identified and tackled after the event. But the recent succession of below-par launches casts doubt on whether this remains an effective strategy in today's world. In fact, our analyses show that among 184 drugs launched between 2006 and 2011, less than half had achieved their peak-sales estimates five years after launch.

Focusing too narrowly on clinical value often leads companies to neglect a powerful driver of launch success: the customer experience. By addressing pain points along patient and prescriber journeys, companies can increase customer satisfaction, improve adherence, and boost revenues. When one company launched an app that acts as a digital companion for patients, for instance, it saw revenues for its new rheumatoid arthritis therapy rise by 8 percent. As complexity increases in the pharma market and competition intensifies in areas such as oncology and immunology, optimizing the customer experience becomes even more important. A "one size fits all" approach to launch will no longer work.



Starting from the customer

Across industries, best-in-class companies are increasingly organizing their business around what customers want. That's seen not only as the value delivered by the product or service itself, but as the entire experience of learning about it, choosing it, buying it, and using it in day-to-day life—what's usually described as the customer journey.¹ A new discipline, customer experience design, has grown up around the realization that creating easy, distinctive, and rewarding customer experiences can unlock enormous value by boosting loyalty, reducing leakage and churn, and making companies stand out from the herd. Indeed, designing best-in-class customer experiences has the power to transform entire industries: just think of what Nespresso did for coffee making.

This is a truth well understood by innovators and disruptors. As Steve Jobs, Apple's late CEO, put it, "You've got to start with the customer experience and work back toward the technology, not the other way around." For most pharma companies, this represents a major shift in thinking. It requires putting not the product but the customer at the center of the launch, and addressing customers' emotional and behavioral needs as well as their clinical ones.

Creating superior customer experiences is particularly relevant at launch because the performance of a new drug in its first six months tends to determine its market share thereafter.² As the senior vice president of Biogen's specialty-medicines and rare-disease group, Adam Townsend, commented in an interview, "One of the critical lessons I've learned is that you only get one shot, so you have to do it well."³ Differentiation is critical to reaching sales targets

1 Nicolas Maechler, Kevin Neher, and Robert Park, "From touchpoints to journeys: Seeing the world as customers do," McKinsey & Company, March 2016.

2 "Launch excellence IV: A new launch environment," IMS Health, June 2013.

3 Jan Ascher and Pablo Salazar, "Why innovative products aren't enough for a successful pharma launch,"

and maximizing long-term prospects. By designing distinctive experiences early enough to affect engagement with both patients and healthcare professionals before and during launch, companies could unlock enormous value.

Our research shows that customer satisfaction truly matters in pharma, even with great drugs. A study conducted among 600 immunologists in Europe and the United States indicates that when prescribers are fully satisfied with their journey for a particular drug and with the pharma company's contribution to it, they are more than twice as likely as dissatisfied ones to prescribe it (Exhibit 1). By paying more attention to the customer experience, companies can not only increase satisfaction but also boost sales and market share.

Exhibit 1 To win, pharma companies need distinctive customer experiences as well as differentiated drugs

Average likelihood to prescribe vs. satisfaction with customer experience¹

Sample: ~ 600 prescribing immunologists in the US, Germany, France, and the UK



¹ Based on a cluster-level analysis linking prescriber satisfaction as indicated by survey responses to prescription likelihood, calculated as the average number of patients on a given drug divided by the total number of patients within the prescriber's cluster

² Interactions with patients from diagnosis and prescription to monitoring and follow-up

³ Including approach to acquiring and developing medical and scientific knowledge

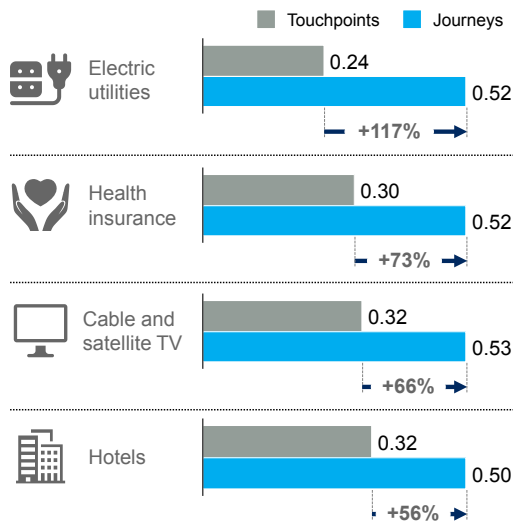
Source: McKinsey

As a result, best-in-class companies across industries are working to improve customer experience, and they are finding they have the greatest impact when focusing on end-to-end customer journeys, rather than individual touchpoints. A recent McKinsey cross-industry customer survey conducted in the United States demonstrates a strong correlation between overall customer satisfaction and revenue growth in a range of sectors from hotels to electric utilities (Exhibit 2). Yet the concept of customer journeys has yet to be widely adopted in the pharma industry.

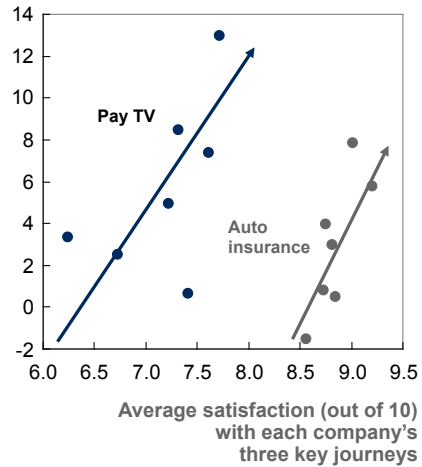
Take engagement with healthcare professionals as an example. Too often, pharma companies seek to improve share of voice by adding more interactions and diversifying channels rather than optimizing the experience for the customer. In companies following this approach, a rep promoting a new drug might wait for hours to see a prescriber so as to meet his or her interactions target, only to have a short, unfocused discussion that is soon forgotten and does nothing to foster launch success.

Exhibit 2 Focusing on journeys rather than individual touchpoints is correlated with higher customer satisfaction and revenue growth
 r^2 values¹

Customer satisfaction



Revenue growth
Percent



¹ Based on a multiple-regression model predicting outcomes as a function of touchpoint satisfaction vs. journey satisfaction
 Source: McKinsey US cross-industry customer-experience survey; data from June–October 2015

A truly customer-focused approach would start by asking individual prescribers what really matters to them. If a particular prescriber doesn't feel confident about prescribing a new biologic drug, for example, the rep can put them in touch with key opinion leaders and provide compelling case studies to illustrate the drug's clinical effectiveness for different patient profiles. In creating these case studies, the company seeks input and tests early drafts with real customers, and regularly refines them to ensure they meet target prescriber needs as fully as possible. In engaging the prescriber, the rep links all the touchpoints to a wider journey that's planned in advance as a coherent sequence. Questions raised in one interaction are systematically followed up in the next to create a seamless, fulfilling, and memorable experience.

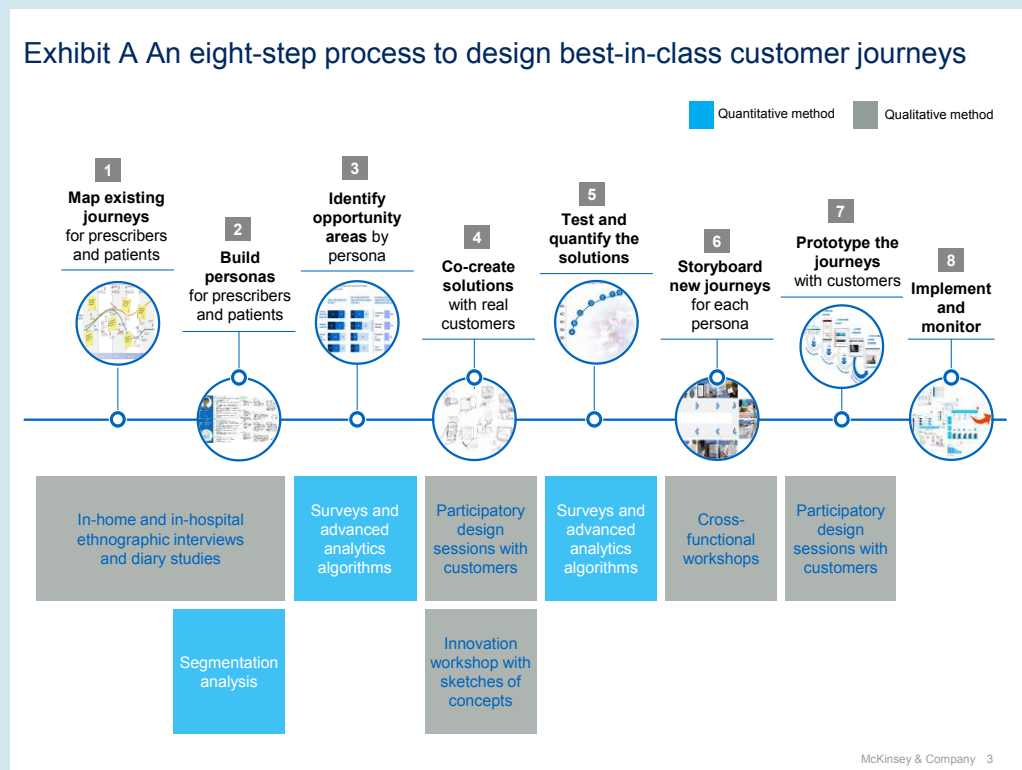
● ● ● ● ● ● ● **A new approach to launch excellence**

Drawing on our work supporting more than 50 pharma launches with experience design, we have developed an eight-step approach that blends quantitative and qualitative methods to put customer experience front and center of a successful launch (see sidebar). Two of the cornerstones of the approach—developing personas and testing prototypes—are described in more detail below.

Sidebar

Designing best in class customer journeys

Exhibit A illustrates an eight-step process that pharma companies can follow to design superior customer journeys. We call it QED, or Quantified Experience Design. The steps are:



- 1. Map existing journeys.** Before launch, examine customer journeys and identify any likely pain points that need to be addressed. For the patient, pain points often occur in getting diagnosed, getting access to treatment, and starting (and staying on) the therapy. For the prescriber, pain points may arise during interactions with patients (from diagnosis and prescription through to monitoring and follow-up) or with the pharma company (including acquiring new medical and scientific knowledge).
- 2. Build personas.** Develop profiles or “personas” that capture the emotional, physical, and clinical aspects of the customer experience and help companies understand and quantify patients’ and prescribers’ behaviors and attitudes toward a given condition or disease. A persona is a profile of an imaginary individual synthesized from observations of many



customers with similar profiles. To uncover deep-rooted needs for each persona, pharma companies use rigorous quantitative and qualitative methods including claims and medical records analysis, primary segmentation, and immersive research.

- 3. Identify opportunity areas.** Use real-world evidence from medical records, claims, prescriptions, lab tests, and so on for drugs already on the market to identify touchpoints across patient and prescriber journeys that influence the prescription, the patient's adherence to therapy, and prescriber and patient satisfaction with their experience. Identify each persona's pain points, prioritize them by impact on customer experience, and identify their root causes at a granular level.
- 4. Co-create solutions.** Work with real customers to develop target interactions, concepts, and sketches for each persona to address identified opportunity areas and priority pain points.
- 5. Test and quantify the solutions.** Use conjoint analysis and basket-optimization algorithms to assess the impact of co-created solutions on satisfaction, prescription, and adherence, rank them in priority order and identify the optimal combination of solutions based on their impact on customer experience and their feasibility.
- 6. Storyboard new journeys.** Merge all insights gathered and connect priority solutions and interactions in a storyboard that represents the target customer journey for each persona. Develop a blueprint specifying the back-office tools needed to enable this journey.
- 7. Prototype the journeys.** Convert priority interactions and solutions into actual prototypes to be anchored in the target journey. Test the prototypes with customers through several rounds of iteration and incorporate their feedback to ensure solutions pass the reality test.
- 8. Implement and monitor.** Anchor target journeys in day-to-day field-force interaction model. Pilot each journey in one or two countries before the full rollout. After rollout, monitor journeys and constantly gather customer feedback to improve them iteration by iteration. Develop a measurement system that uses real-life data to track the impact of the redesign on patients and prescribers during the launch phase.

Create personas to get under the customer's skin

One of the distinctive aspects of our approach is the creation of a persona that represents a target customer for the therapy being launched (step 2 in the sidebar). To develop this persona, a company starts by performing a quantitative segmentation analysis to understand key customer profiles, and then populates these segments with real channel and prescription behaviors from a range of data sources. It uses ethnographic observation, diary studies, and other qualitative methods to build up a three-dimensional synthesized portrait that incorporates emotional, cognitive, and physical elements such as behavior patterns, personal goals, pain points, mood shifts, and decision-making drivers, as illustrated in the example in Exhibit 3. Each persona then becomes the starting point for developing a target customer journey that specifies all key interactions with that customer group.

Exhibit 3 Illustrative examples of prescriber and patient personas

Prescriber example: a key opinion leader in oncology		Patient example: a rheumatoid arthritis (RA) patient suffering from depression	
	<i>“ I wish there were more opportunities to get involved in trial design; they keep going to the same five or ten people over and over ”</i>		<i>“ I've been a painter all my life, it's how I define myself – and now it's been taken away from me ”</i>
Role: Director, breast oncology program Works at: Academic medical center Age: 47 Clinical experience: 20 years	Goals Be a recognized leader in her field by contributing to publications and participating in steering committees Contribute to the development of step changes in treatment Build long-term research collaborations with pharma companies	Needs and pain points Paucity of opportunities to participate in steering committees as an emerging thought leader Expertise is taken for granted (unclear expectations, lack of institutional memory) Non-standardized and inefficient clinical trial processes with unprepared and inexperienced monitors are frustrating and time consuming	Name: Lucy Age: 52 Lives in: Chicago Disease: Rheumatoid arthritis Behaviors Maintains a healthy diet and feels good about taking care of her own health and wellness Husband is her primary care-giver Talks regularly to a neighbor with RA who took part in a clinical trial Doctor recommended medication to protect joints from further damage, but she declined Takes supplements to help with symptoms Does online research and has joined RA panels Needs and pain points Was misdiagnosed 20 years ago Wrist rotation is no longer flexible enough to paint Has difficulty carrying things and isn't as strong as she was Anxious about worsening symptoms Scared by reading about the disease; tries not to think about it Fearful of injections and possible side-effects of medication Unsure whether some symptoms are caused by the disease, ageing, or other factors
Wants to participate and be respected in the scientific community, but is frustrated by operational logistics		Needs support from the company's RA ambassadors (e.g. education on side-effects, appointment management)	

When one pharma company launched a new therapy for rheumatoid arthritis, it focused on enhancing the patient’s experience and improving engagement and outcomes. It started by making it easy to join a patient-support program: all the patient had to do was scan a barcode on the drug packaging. A bigger step was creating an app that serves as a digital companion for patients, providing education, encouraging adherence, and allowing treatment questions to be routed to a call and video center. By addressing multiple pain points along the patient journey, the app hugely increased customer satisfaction, improved engagement and adherence, reduced treatment drop-offs, and led to an 8 percent revenue uplift from better use of the drug.

The company took a similar approach to designing a complete customer experience for physicians, and again saw an enormous leap in customer satisfaction. It tailored pre-launch treatment education to the preference of different segments, offering an aggregation of independent digital video content for some users and a sequence of low-intensity events for others, for example. It geared visit plans to healthcare professionals’ preferences for channel, cadence, and content, and built a Customer-Relationship-Management (CRM) engine that would automatically follow up a visit with content of interest based on what had been discussed and the physician’s evaluation of previous communications.

One of the strengths of this approach is the integration of data and advanced analytics into every step of the design process to yield deeper quantitative insights and eliminate risk—an advance that has been enabled by the recent explosion in data sources and the possibility of tracking anonymized patient histories over a period of years. The insights are developed via a combination of research techniques that draw on real-world data.

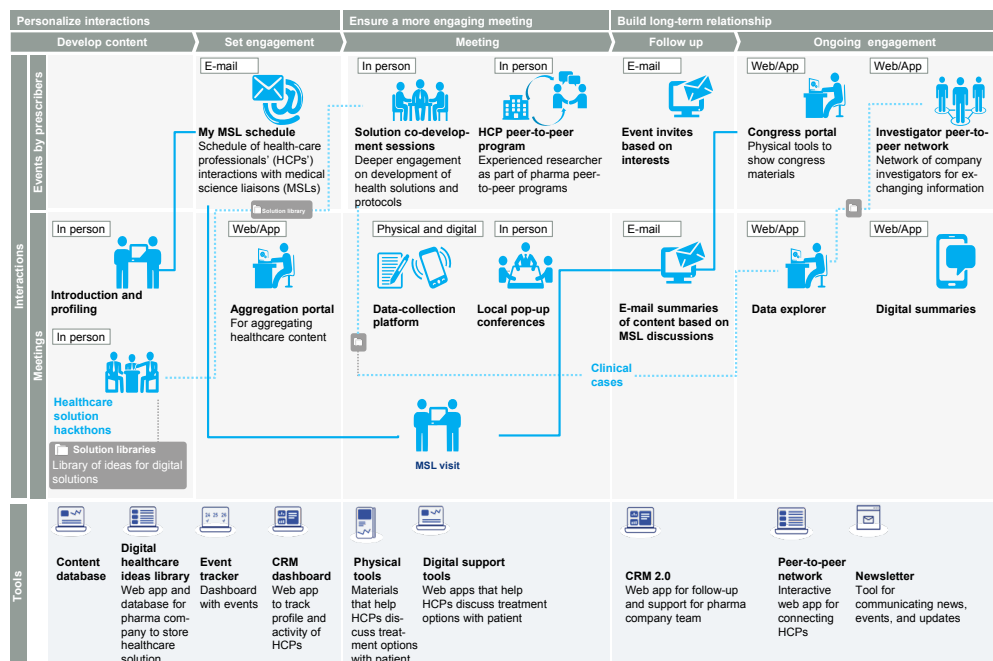
For instance, the definition of personas is underpinned by a behavioral segmentation based on actual behaviors derived from claims and medical records, as well as primary research into attitudes and unmet needs. Every step of a patient’s journey or a physician’s medical practices is quantified using a data lake that combines electronic medical records with medical and pharmacy claims. Online and offline touchpoints are combined with channel tracking to map digital and physical journeys. Finally, key inflection points along a journey are tracked using real-world data to inform hypotheses for design. Designers and ethnographers can then revisit the pain points identified earlier through quantitative research and explore them in more depth to probe root causes.

In multiple sclerosis, for example, one common pain point is the lengthy delays at some hospitals between diagnosis and first treatment. Does the problem lie with hospital processes, patients’ need to come to terms with their diagnosis, or both? A company can use design thinking to identify possible causes and then subject them to attribution modeling to see which causes make the biggest contribution to the delays observed. As the company moves on to developing and testing solutions, it can use advanced analytics on large sample sets to predict which ideas will have the greatest impact in reducing the delays, and which mix of ideas yields the highest return on investment.

Having drawn insights from advanced analytics, modeling, persona analyses, and co-creation discussions, the company synthesizes them into a storyboard representing a target customer journey that will maximize the value of the launch. Using the storyboard as a basis, the company then draws up a blueprint that connects target customer interactions and maps the back-office tools needed to enable them. This blueprint serves as a reference for the customer journey from launch onward (Exhibit 4).

Exhibit 4 Developing a target prescriber journey: Illustrative example of what the journey blueprint could look like

ILLUSTRATIVE



Test prototypes to optimize the patient and physician experience

Another hallmark of the new approach to launch excellence is the creation of prototypes for the products, services, tools, and interactions involved in customer journeys (step 7 in the sidebar). These prototypes take the form of a set of solutions addressing a specific customer need, be it clinical, emotional, or technological. Examples might range from a digital platform and smartphone app to help diabetes patients manage their condition and adopt better eating habits to a poster that illustrates the patient pathway for a new kind of asthma inhaler or a dosage-control system that improves the precision and speed of administering aesthetic fillers.

Cutting-edge companies involve patients and prescribers in designing, testing, and refining prototypes like these so as to offer the best possible customer experience. The participation of real customers ensures that ideas are immediately subjected to a reality check and then quickly turned into usable solutions to real-life problems. Leading companies also develop key performance indicators (KPIs)—such as adoption rate, prescription, adherence, and customer satisfaction with both prototypes and the overall journey—to help them monitor and continuously improve their prototypes. Real-world data and predictive analytics allow companies to track experience down to a local level, sometimes as granular as a specific physician practice or patient pool, and provide valuable information for designers and commercial teams. If tracked KPIs fall below the target threshold, companies seek direct customer feedback to find out why.

One of the main challenges a new therapy faces is piquing physicians' curiosity and encouraging them to break out of their established prescribing habits. A prototype as simple as a thoughtfully designed poster showing the patient pathway for a new drug can help to break these habits and form new ones. If the poster helps the prescriber address patients' concerns about pain points such as possible side-effects and lifestyle impacts, it may prevent unnecessary drop-offs or late starts in treatment, as well as improve the overall patient experience. And if it is anchored in the target customer journey, it can be used repeatedly over time to guide the prescriber's conversations with patients as their condition evolves and the effects of the therapy become apparent.

The building blocks of best-in-class launches

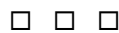
Pharma companies wanting to put customers at the center of their launches should start by ensuring they have the right enablers in place:

- **Design.** Create an organizational unit—typically a center of excellence or accelerator—to design and improve customer journeys. Ensure it is integrated into the business and rotate business owners into and out of it to work with designers and analytics experts to re-imagine every aspect of the customer journey.
- **Data and analytics.** Build the data, platforms, tools, research, teams, and vendor ecosystem to gather intelligence; identify, quantify, and track opportunities along patient and prescriber journeys; and accelerate the design and development process.
- **Delivery.** Eliminate functional silos and create agile delivery teams that focus on delivering the best possible journeys. They need to be close to the customer, span multiple functions (commercial, medical, legal, and compliance), and continue the best-in-class thinking developed in the design phase. Their role is to develop an intimate knowledge of customer preferences, set the pace of engagement, optimize physical touch points by framing scripts

for reps and medical affairs, work out how to deal with handovers between medical experts and reps in a compliant way, optimize the balance between physical and digital channels, orchestrate digital content delivery, and plan follow-up with deeper content conversations.

Companies also need to support their new customer journeys with mindset shifts, such as getting their organization comfortable with prototyping. Incentives should be redesigned where possible to focus on journeys and reward customer satisfaction and sales uptake rather than number of touchpoints. Finally, IT needs to be flexible and powerful enough to allow companies to track interactions at the level of individual customers and segments, determine follow-up actions, and build coherent journeys.

Leading companies typically start designing their customer experience as early as twelve to eighteen months before launch. They design these experiences at the level of individual markets to reflect what the local regulatory environment prohibits or permits (for instance, what kind of contact is allowed with patients) and how the local market's nature, maturity, and gaps shape customer preferences and needs (for instance, whether treatment for a particular condition is predominantly hospital-based or undertaken in primary care). Rather than develop a host of separate journeys to cover the globe, companies create a backbone journey and then adapt it to suit each country in turn. Finally, as soon as the new drug or device hits the market, leaders start gathering data on patient adherence and use and prescribers' feedback so that they can continue to improve the customer experience.



Best-in-class pharma companies no longer launch products; they launch experiences. In a crowded market, clinical efficacy and safety are no longer enough to cut through the competitive noise. Leading pharma companies are starting to emulate businesses in other sectors by turning to the experience they provide for their customers—both patients and prescribers—as the way to differentiate themselves. Through its deep probing of patients' and physicians' needs, its focus on customer journeys rather than isolated touchpoints, and its use of agile iterative processes, this new approach combining design and analytical thinking marks a radical break with the way most pharma companies plan their launches. Putting customer experience at the heart of launch strategy will give early movers an advantage over their less nimble competitors, who are likely to be left behind.



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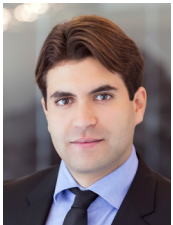
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