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VALUE is the Trending Word of 2023

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Pharmaceutical companies will be under increased pressure in 2023 to demonstrate that their products provide real value

The last two years saw a significant leap toward patient-centricity in the pharmaceutical space. In 2023, that trend will inevitably continue—although this next iteration will focus on leveraging the industry's growing digital maturity to offer increased patient value while achieving measurable business goals.

This shift will be driven by a host of factors. As we enter the digital age, most people—including patients, caregivers, physicians and other healthcare professionals—expect more from the brands they interact with. Gone are the days when a basic pharmaceutical website or simple app was enough to impress these external stakeholders—today, they want to see more advanced and useful user experiences.

At the same time, the concept of value-based pricing has started to percolate in recent years. Essentially, a growing number of payers are challenging the traditional pricing structure of many pharmaceutical drugs and looking for proof that they warrant their associated price tag. Pharmaceutical companies, therefore, will be under increased pressure in 2023 to demonstrate that their products provide real value.

These forces, and others, are inspiring many companies to rethink their traditional business model—and unlock new opportunities to provide patient value. In 2023, this will likely culminate in more value-based marketing strategies designed to forge a genuine connection with patients. Companies will uncover ways to bring new drugs to market faster and more cost effectively — and use the vast amount of data at their disposal to guide product decisions in a more tactical, and deliberate, manner. They may even strive to expand their offerings in the name of value — finding new ways to utilise technology, or content, to enhance the patient experience.

To help envision what this may look like, below are four trends we expect to arise in the pharmaceutical space in 2023.

1. Data-informed decision making

Data has been the key driver behind the pharmaceutical sector's new product-focused business approach — and in 2023, we can expect companies to get even better at managing the vast amounts of data at their disposal. The focus, this year, will be to glean actionable insights from new and existing data — leading to even greater product and service innovations.

Thanks to more advanced data management practices, pharmaceutical companies have become increasingly smarter in recent years — and in 2023, they'll focus on getting faster as well. Specifically, we're seeing increased investments in enterprise-wide platforms, processes and systems that will make it easier for all members across an organisation to access — and make sense of — pertinent data.

Data Privacy will continue to figure prominently in the pharmaceutical space. To preserve patient trust, and make sure they're onside of regional rules and regulations, organisations would be well-served to take a deliberate and tactical approach to the data management transition.

2. Value-added partnerships

Digital therapeutics — technologies that deliver therapeutic interventions directly to patients, such as telehealth, mobile health, smart devices and wearable devices — have taken off in recent years. Although many digital health investments have begun to slow, the global digital therapeutics market — which was valued at $4.20 billion in 2021 — is expected to grow by a compound annual growth rate of 26.1 per cent from 2022 to 2040. To add value to their existing products, many pharmaceutical companies are looking to leverage these digital tools — either by launching their own or establishing companion partnerships.

More companies are exploring the potential of wearable/hardware integrations, content partnerships, customer acquisition and data insights. Right now, the early winners appear to be focused on how to help patients with medication adherence. There are many reasons why a patient might stop taking a specific medication. For example, a company found that Multiple Sclerosis (MS) patients were less likely to take their medication if they were in a poor mental state. In response, the company partnered with an app called Twill, which offers mindfulness and mental health support to ease depression and anxiety — conditions that are common with MS. By having access to the complimentary service, patients increased their medication adherence.

If the pharmaceutical industry has learned one thing over the past few years, it's that health startups operate differently than Big Pharma. When forging partnerships with tech startups, therefore, it's important to set realistic goals and milestones. Many of the most ambitious ideas and partnerships have died because they failed to get off the ground — which is why it's important to have clear contracts and resources in place to support the effort.

3. Silo breakdowns

For customers and healthcare practitioners, there are few things more cumbersome than having to register for, or download, countless pharmaceutical programmes. In response, we can expect Pharma to make more advanced steps to seamlessly integrate their offerings — and ultimately provide a single online experience. This could be a single platform for CRM across brands, a single app platform, or a single website for all health conditions.

In a recent study of pharma executives, 98 per cent of respondents said developing an omnichannel strategy is "very important" — and almost half reported optimising healthcare practitioner (HCP) engagement across touchpoints. At the same time, the adoption of electronic medical records (EMR) has rapidly increased over the last seven years — and now sits above 80 per cent. We're also seeing a trend toward increased third-party data integrations — allowing the medical community to better leverage the power of data to analyse symptoms, identify treatment patterns, and uncover medical causes.

Connecting all these different channels won't be easy. Agencies are hired to put together tactical plans for the year, each of which have their own siloed ideas. Brands are structured to operate as their own mini company, without sharing resources across other brands that are often within the same disease state. Omni-channel efforts require more collaboration across agencies, brands, departments, payers and providers. To execute an omni-channel approach, therefore, organisations will

have to find a way to break down silos and foster greater collaboration.

4. Mental health-focused content

With the rise of remote health offerings and a clear gap in mental health support, most Pharma companies will begin to provide some degree of mental health information and resources to help their patients. Watch out for content designed to develop a meaningful partnership through advocacy; digestible and relevant mental health information; as well as digital programmes comprised of helpful mental health tools.

According to the World Health Organisation, rates of depression and anxiety increased by more than 25 per cent in the first year of the pandemic — a trend many healthcare systems were poorly-positioned to address. At the same time, research shows that “adequate mental health resources are one of the foundations to improving medication adherence in patients with severe mental disorders.”

Some current and future content will unfortunately fall short of offering real patient value. Things like link farms, which simply link patients to third party sites for mental health support, won’t achieve much. Rather, companies should focus on offering solutions that provide personalised, relevant benefits.

Looking ahead

These trends are a great sign of things to come. Better data management — combined with a push to break down silos, inside and outside of pharmaceutical organisations — will make it easier to integrate tools like Artificial Intelligence, which will allow for things like more targeted mental health-focused content, personalised patient offerings and new opportunities to enhance drug adherence.

This, ultimately, will lead to a reshaping of the healthcare industry — and even better patient outcomes.

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