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## **Revolutionizing pharma marketing**

How affordability and access data can drive change

Understanding the market access landscape at the local ecosystem level along with patients' access and affordability challenges can enable more precise, personalized customer engagement.

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# Introduction

The time and expense associated with drug development are at an all-time high. Pharma companies can now expect to spend an average of \$2.2 billion to bring a drug to market, with the research, development, and approvals phases taking anywhere from 10 to 20 years, on average.

Pharma marketing and sales leaders are now facing new challenges with positioning products in the market, including **rising cost-related pressures<sup>1</sup>** for an older, sicker population of patients, **variable use of step therapy<sup>2</sup>** from payers, the emerging impacts of the Inflation Reduction Act, and a shrinking prescriber workforce trying to navigate a rapidly evolving world of value-based care.

In this complex environment, traditional marketing strategies are having much less impact with prescribers and consumers than in the past, making it more difficult to reach the right stakeholders at the right point in the clinical journey, balance profitability with accessibility, and maximize the uptake of products.

Understanding the access and affordability issues requires that we identify the root causes and that they might sit with challenges at the practice level—either with individual doctors, or with payor constraints, or perhaps irrespective of doctors, or even with patients who don't understand what is required of them.

Simply put, pharma companies need to rethink their strategies for defining the value of their products, understanding patient barriers to adoption due to access and affordability, and communicating with the broader marketplace.

Success will rely on leveraging new datasets, intelligent business rules, and advanced analytics that fall outside of traditional approaches, with an emphasis on data that illuminates the social risk factors and economic challenges patients are facing every day.

By integrating and analyzing affordability and access-related data further upstream in the process, pharma companies can, in turn, provide their marketing leaders with data to enable more “surgical” targeting and resource allocation decisions to ensure that new therapies can effectively reach the people who need them most.

## Embracing data-driven, personalized marketing in pharma

Pharma companies can no longer rely on preconceived notions about what they think patients want and need without having the data to back up their assertions. As demographics shift, new communication channels emerge, and patients demand more and more personalization and transparency around their health care, pharma companies will need to consider adjusting their marketing strategies to fit the new world in which contextualized behavior analysis and the development of highly relevant, individualized narratives will be crucial for getting through to patients.

## What does success look like?

Achieving a state of balance—emphasizing the dual objectives of genuinely helping patients and advancing the economic goals of the business. Achieving this balance necessitates leveraging new datasets, adopting innovative thinking, and employing novel approaches to insights and analytics—delivering value both to the enterprise and to patients and other stakeholders.



# Identifying opportunities with more complete, comprehensive data

Pharma companies have often struggled with lack of insight into patient behaviors and underlying motivations due to their indirect, highly regulated relationships with consumers.

While this separation is designed to protect both parties, it can also prevent truly informed decision-making about how to price products to meet the needs of the market and deliver education or support services that could enhance adherence and outcomes. Without full visibility into the patients using their drugs, pharma companies may also find it challenging to work with prescribers in a manner that resonates with their most pressing needs, such as access to and affordability of prescriptions.

Prescription costs are a top concern for consumers and their health care providers, especially since approximately **one in five patients use at least five different prescription medications**,<sup>3</sup> each with its own cost profile adding to the burden of out-of-pocket health care spending.

Pharma companies that make financial decisions about their products without fully understanding the overall costs of managing a condition alongside common comorbidities—and putting these costs into the context of total household income—may be pricing themselves out of contention for patients who simply cannot afford to add another expense to their budgets.

As a result, patients may be forced to choose between basic needs, such as food, housing, or utilities, and taking their medications as prescribed. **Approximately three in 10 Americans**<sup>4</sup> currently make these choices, with higher rates among younger people, low-income households, and those taking four or more prescription drugs.

To assist consumers with these issues and help ensure that pharma companies are doing their part to meet demand for accessible, affordable medications, marketing leaders will need to be equipped with new tools that empower them to have targeted, transparent, and collaborative conversations with prescribers and consumers about access and affordability.

For example, incorporating affordability data and other payer-related dynamics earlier in the process could allow for the generation of smart alerts for marketing representatives when a patient population is likely to be experiencing a certain social risk factor, such as food and housing insecurity, social isolation, or transportation barriers, so they can tailor their messaging accordingly. Access to this information would also allow pharma companies to work more closely with health care providers to

ensure patients are receiving services, including referrals to community-based resources, that could mitigate socioeconomic challenges related to access and affordability of prescriptions.

Pharma companies could also use these insights to offer tools such as personalized cost calculators for consumers based on their individual circumstances, allowing for more informed choices alongside their care teams.

To achieve these goals, pharma companies will need to consider leveraging a broad range of datasets to inform their targeting and resource allocation decisions, including:

-  **Patient financial responsibility data:** Out-of-pocket costs, coinsurance amounts, deductible amounts
-  **Patient clinical information:** Diagnoses and comorbidities, previous therapies tried, concurrent prescriptions
-  **Health plan info:** Formulary data, step therapy requirements, prior authorization requirements, historical denial patterns
-  **Socioeconomic data:** Income levels, community vulnerability indices, health services shortage areas, food/pharmacy deserts

If pharma leaders can successfully merge these datasets into a holistic analytic workbench to illuminate access and affordability dynamics, they can support sales and marketing teams as they achieve a wide range of goals that are shared across the entire health care industry:

-  Reduce friction in relationships with payers, prescribers, and patients by taking a proactive approach to assisting with affordability challenges
-  Meet health equity demands by making products more accessible to people with socioeconomic barriers
-  Generate more diverse and inclusive real-world evidence about drug safety and efficacy to support better outcomes and future research

# Overcoming systemic challenges to marketing transformation efforts

To truly enhance decision-making, sales/marketing and market access leaders will need to identify and address any technical regulatory, legal, and business issues that may restrict access to the data and insights required to generate holistic, personalized portraits of prescribers and consumers.

## Aggregating and analyzing socioeconomic datasets

While experts agree that approximately **80% of clinical outcomes**<sup>5</sup> are tied to non-clinical socioeconomic factors, the health care system has not yet mastered the art of collecting standardized, complete, and timely data on the social determinants of health. Legacy health IT tools have not been designed to facilitate collection of this data at scale, and providers often lack the time and training to have sensitive conversations about these topics with their patients.

However, some notable efforts are underway to catalyze the collection of these vital data elements, such as the use of **structured Z codes**<sup>6</sup> as part of the ICD-10 diagnosis coding process and the inclusion of data collection as a top priority within **the Centers for Medicare & Medicaid Services' (CMS) Framework for Health Equity**.<sup>7</sup>

As these assets become more developed over time, pharma companies can jump-start their own efforts by leveraging publicly available data from sources such as **the Social Determinants of Health Database**<sup>8</sup> available from the Agency for Healthcare Research and Quality (AHRQ) or the **Social Vulnerability Index**<sup>9</sup> from the Centers for Disease Control and Prevention (CDC).

They can also consider collaborating with payers and specialty pharmacies in a compliant manner to gain insight into specific patient populations or purchasing proprietary financial and administrative databases from private companies to augment existing analytics activities.

## Addressing legal, regulatory, and contractual issues around data usage

However, companies that are acquiring socioeconomic data and other types of information, such as formulary and financial data, will need to be fully informed about the rights and restrictions attached to using these datasets for specific purposes.

Some companies may include data use clauses that prevent certain activities or integrations with other products, limiting the utility of the investment to gain actionable insights into key areas of exploration. Purchasers will need to work with their legal and technical teams to carefully review all terms before committing to a data partnership.

Companies will also need to ensure they stay in compliance with regulations around undue influence on consumers. There may be a perception, for example, that using data on patient financial responsibility to inform conversations about pricing or rebates could be considered a way to inappropriately sway patients toward a particular product.

While this may or may not be the case depending on the activities in question and the interpretation of regulations, pharma companies sensitive to these perceptions will have to develop a full understanding of the potential issues and deploy a compliant strategy for generating these valuable insights.

# Committing to reinventing the access and affordability decision-making process

Integrating patient affordability and socioeconomic data into commercial and market access decisions represents a novel way to address the modern challenges of marketing and sales—and new ideas often struggle to gain traction quickly in an industry with strong organizational inertia and a history of risk aversion.

It will likely take a cultural sea change for some pharma companies to realize the powerful potential of this approach and start embracing affordability data as a crucial factor in the commercial and market access processes.

To accelerate adoption, champions should work to clearly articulate the incentives to executive leadership and develop models that showcase the tangible value of blending affordability and socioeconomic data with more traditional analytics approaches.

Market access teams should also brainstorm with sales and marketing leaders to identify gaps in existing messaging and learn more about what tools, information, and assets would be most valuable for communicating with specific segments of the prescriber and consumer marketplace on a personalized level.

Taking a collaborative approach to creating this culture will start to generate the evidence necessary to support an ongoing transformation of the marketing and sales cycle into a precision-oriented activity that enhances access and adherence to high-value products.



# In conclusion

Pharma companies pour an enormous amount of time and resources into bringing products to market but may face increasingly complex obstacles around ensuring that consumers have adequate access to these products once they are available.

In this environment, they simply cannot afford to be reactive to market trends and miss opportunities to connect with prescribers and patients on a personalized and socioeconomically sensitive level.

To get ahead of affordability and access issues and make the most of their investments throughout the life cycle of their products, pharma companies will need to offer their marketing teams more robust and tailored strategies for having meaningful conversations with their targets.

Doing so will require companies to take a closer look at how to include a wider variety of datasets into their decision-making, including information on how patients move through their therapeutic journey—and how the resulting financial responsibilities affect their ability to access and adhere to care.

By aligning market access choices with financial data and innovative marketing strategies, pharma companies can enter a more informed, proactive, and collaborative era of partnership with the broader health care ecosystem and further expand their vital role in contributing to better outcomes and experiences for patients.

# Continue the conversation

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