

GETTING TO PATIENT CENTRICITY



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EXAMINING THE CURRENT
STATE OF PLAY AND HOW PHARMA
AND BIOTECH CAN SUCCESSFULLY NAVIGATE
THE PATIENT CENTRICITY JOURNEY

INTRODUCTION



Patient centricity has emerged in recent years as a top priority for most Pharma and Biotech firms. While the patient has always figured prominently within the drug development process, what we think of as patient centricity has expanded well beyond the traditional approach of clinical trials serving as the main point of patient engagement. As health systems around the world look to value-based reimbursement, as more patients grapple with the effects of co-morbidity, as societies in the wake of increased prevalence of 'lifestyle diseases' shift from disease treatment to preventative care and health management, Pharma and Biotech firms have started their journey to Patient centricity in earnest.

However, for many this journey has been slow and not without many bumps along the way. While it's always difficult to bring about cultural, strategic, and operational transformation in large organizations, the structural complexity of the health care environments

in which many Pharma and Biotech firms are operating makes profound organizational change even more difficult. As managers work to make their organizations more patient-centric, even basic questions such as 'what do we mean when we state that we are 'patient-centric'?', 'what processes do we need to have in place?', 'are we making progress?' or, simply, 'how do we get started in transforming our company?' frequently arise.

Leveraging a large, 2016 study conducted by The Aurora Project: 2016 Patient-Centric Benchmarks Survey and drawing on the experience of CapSys Group, this whitepaper will provide an update on how the industry's progressing on its journey to patient centricity, highlight some of the best practices underway, introduce a useful framework for companies to assess their own progress and, finally, offer some advice on how companies can kick start their own patient-centric transformations.

What is Patient Centricity and Why does it matter?



There is quite a bit of debate around how Patient centricity should be defined. Using the common 'Patient centricity is to put the patient at the center of an organization's strategy' definition is in many ways too vague and broad to be actionable. Thinking in broad, imprecise terms often leaves the topic of patient centricity up for interpretation, and can result in disjointed initiatives and an incoherent approach to transitioning the organization towards patient centricity.

To address this issue, Astra Zeneca launched in April of this year the first collaborative definition of patient centricity¹, which they co-created with patients, caregivers, and patient community advocates. Their effort resulted in the following definition:

"Putting the patient first in an open and sustained engagement of the patient to respectfully and compassionately achieve the best experience and outcome for that person and their family"

In addition to being better researched and more precise than most definitions, another big positive that underpins it is flexibility; in other words, adapting the approach to patient centricity to the specific situation of the patient and their family. While it is important to have flexibility in regards to the patient and their family's circumstances, it's also important when defining patient centricity to consider the capabilities of the Pharma or Biotech company and the context in which they are operating.

As a result, the definition of patient centricity is likely to vary from company to company.

Though this definition may vary between organizations, it's most important that there be a general consensus across the organization as to how patient centricity is defined. This will not only give the organization a common language, but also will enable the organization to set clear milestones, objectives, and criteria for success when evaluating its own level of achievement on patient centricity.



PATIENT CENTRICITY - A PRIORITY FOR PHARMA AND BIOTECH?

In recent years, you'd be hard pressed to find a major Pharma or Biotech company where patient centricity hasn't prominently figured on their agenda. It has also become a focal point for the industry, with various initiatives, such as top industry conference eye for pharma's 'Most valuable patient initiative or service,'ⁱⁱ aiming to showcase and celebrate the best patient centricity practices.

While most enthusiastically declare that patient centricity is not only important to publicly commit to

but also to execute onⁱⁱⁱ, as well as that it holds the key to achieving stronger profitability^{iv}, the industry remains skeptical about its ability to fully transition towards patient centricity^v. But what's driving this skepticism? To answer that question, it's important to understand where the industry currently is on its patient centricity journey and to examine the real and perceived role that Pharma and Biotech leaders are playing in enabling their organization's progress or lack thereof.

The Current State of Play - How Pharma and Biotech are doing?

Although patient centricity has been a hot topic for some time now, many Pharma and Biotech executives believe that their own organizations remain at the early stages of their transition towards full patient-centricity. Their view extends to the industry as well, with most respondents from The Aurora Project: 2016 Patient-Centric Benchmarks Survey stating that they believe their organizations are more or less on par (the same or slightly better) in regards to making their organizations more patient centric (Fig X¹). In addition, overall they are encouraged by their organizations' patient centricity efforts with most respondents declaring that their organization is 'Making a good effort'.

However, there are some differences in thinking on this amongst C-Level executives. C-Level respondents are more skeptical than other functions about the relative performance of their company and the level of effort the organization is putting in to move from intention to action (Fig X²).

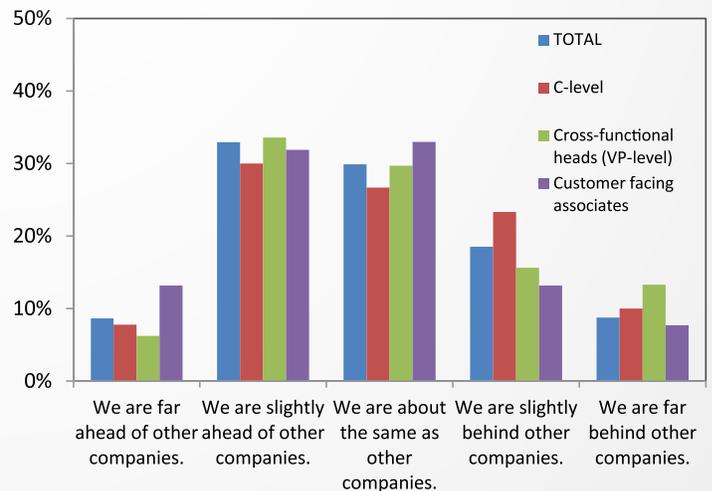


Figure X¹,
Source: The Aurora Project: 2016 Patient-Centric Benchmarks Survey

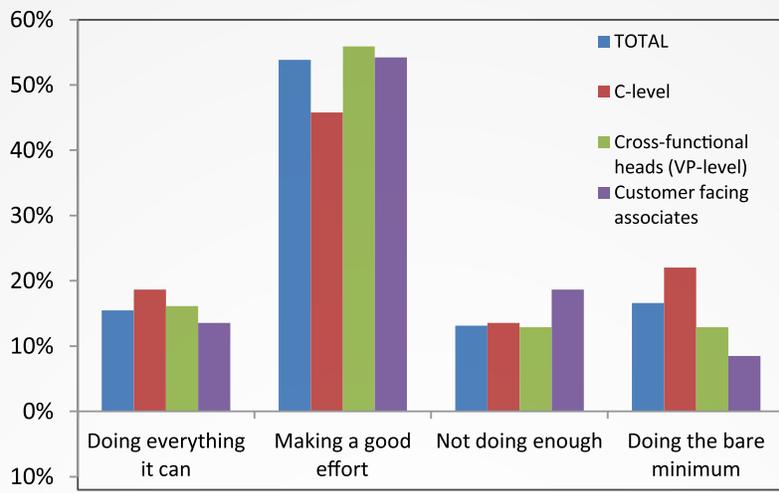


Figure X², Source: The Aurora Project: 2016 Patient-Centric Benchmarks Survey

Whether these organizations succeed or not in fully making the transition to patient centricity will come down to how well they're able to embed the skills required to drive a patient focus across their organizations. The Aurora Project: 2016 Patient-Centric Benchmarks Survey shows us that most Pharma and Biotech leaders believe that they still have significant work to do on this front. The majority is not only looking for ways to teach patient centricity to the people within their organization, but is also looking for guidance as to exactly what to teach

them (Fig X³). This implies that there continues to be a lack of understanding around exactly what is meant by patient centricity (and, specifically, in their organization's context) as well as what specific skills are needed in a patient-centric organization. This is particularly evident for Cross-functional heads who are, perhaps, most 'on the hook' for ensuring the organization makes the patient-centric transition and, consequently, increase both employee and business performance as a result (Fig X⁴).

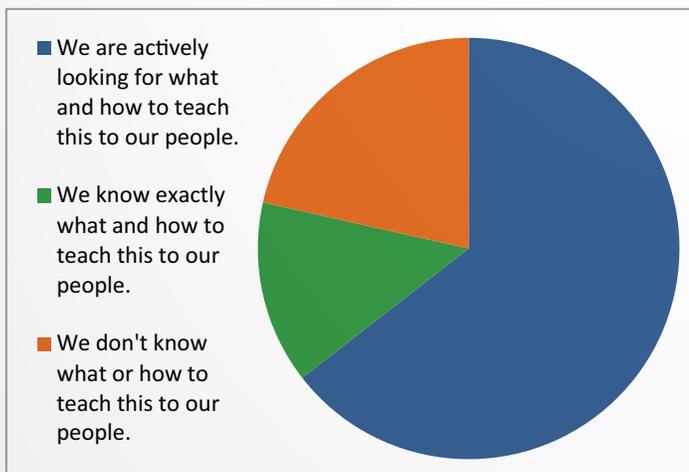


Figure X³, Source: The Aurora Project: 2016 Patient-Centric Benchmarks Survey

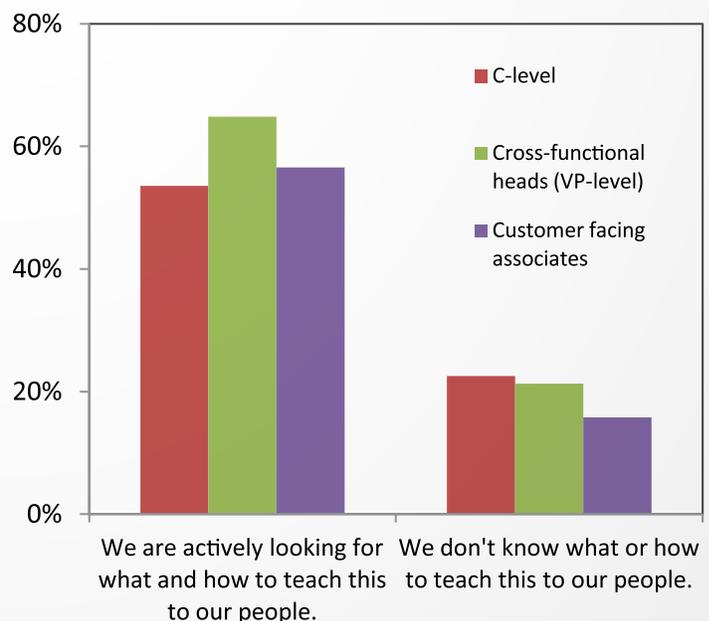


Figure X⁴, Source: The Aurora Project: 2016 Patient-Centric Benchmarks Survey

What types of Patient-Centric efforts are underway across the industry?

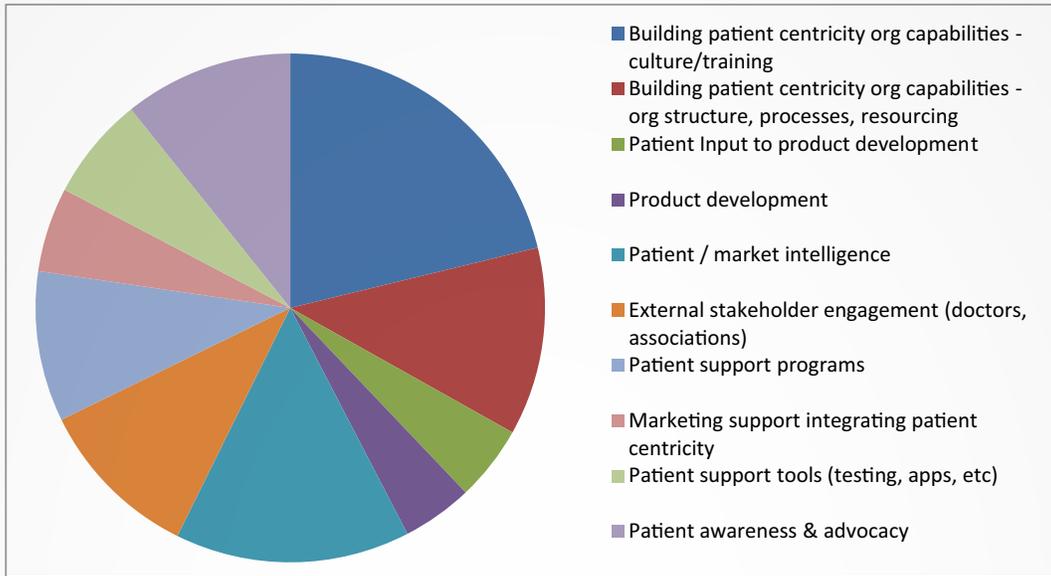


Figure X⁵, Source: The Aurora Project: 2016 Patient-Centric Benchmarks Survey

While the industry overall is still at the early stages of the patient centricity journey, many Pharma and Biotech companies have various internal and external efforts underway to put patients at the center of their mission, strategy, and go-to-market activities.

In Figure X⁵, 'building patient centricity organizational capabilities' comes out strongly as an area of focus within the industry. As most are just beginning this journey, it make sense that they would look to get themselves prepared internally first for this transition, before executing against a more patient-centric strategy in the market. Most efforts here focus on adjusting the organizations' culture, mission, and strategy accordingly and training the organization to be more patient-centric. Those that are a bit farther along on the journey are starting to adjust their organizations structure (e.g. hiring senior leaders to spearhead the transition, allocating budgets, etc.), processes, or specific activities to execute against a patient-centric mission and strategy. Not surprisingly,

deepening their understanding of patients through patient insight and marketing intelligence gathering efforts are also critical areas of focus.



Efforts underway are diverse. However, here are some examples that are particularly promising and ambitious:

Building patient centricity org capabilities - leadership / culture / training	Building patient centricity org capabilities - org structure, processes, resourcing	Patient / Market Intelligence	External stakeholder engagement (doctor, associations, etc)	Patient awareness & advocacy
<i>Global new patient value culture (8000 people trained). New ways of working to ensure everything we do starts with one question "how will this create value for patients"</i>	<i>We are developing KPIs to measure the advance of patient access in emerging markets, I included patient representative in our regional annual forum and also in the Regional health evaluation system review paper</i>	<i>In my department we designed the most through market research plan in the company, including ethnographic research, and developed the strategy based on patient's insights, together with insights from other audience.</i>	<i>We are using input from patient organizations to fine-tune our patient centric ideas/innovations</i>	<i>Creating awareness, leaflets on COPD and Asthma and a user manual on how to use an inhaler. Suggesting diagnostic tools that can raise flags about the progress of existing COPD or Asthma.</i>

Figure X⁶, Source: The Aurora Project: 2016 Patient-Centric Benchmarks Survey

What you can do now to kick-off your organization's journey to patient centricity?

Step 1: Take your Temperature

Start by assessing the situation at your organization and establishing a clear point-of-view on how advanced your organization is on its patient centricity journey. Use the following Patient centricity Temperature Check to get a solid first view on where your organization stands.

Does the patient figure prominently in your organization's mission?

Are there patient centric initiatives incorporated in your strategy?

Does your organization have clearly defined KPIs to assess your patient centricity performance?

Has your organization come to an agreement around how you define patient centricity? Is this definition widely understood?

How well resourced are patient centricity efforts within your organization (in terms of both people and funding)?

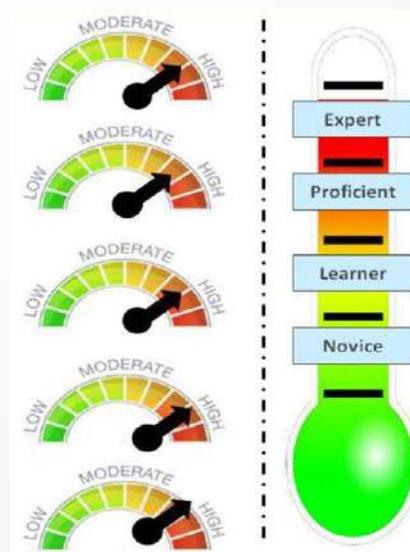


Figure X⁷, Source: The CapSys Patient Centricity Temperature Check, 2017

How the assessment works

This Temperature Check model will enable you to score your organization along each of the 5 key questions and, ultimately, determine your organizations' overall patient centricity score.

Points are applied to your response on each question as follows:

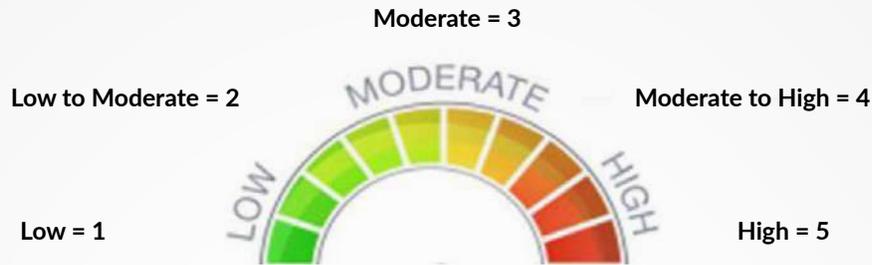


Figure X⁸, Source: The Aurora Project: 2016 Patient-Centric Benchmarks Survey

The scores lead to 4 overall Patient-Centricity Archetypesvii:

Novice (Total Score = 5 to 9)

Very early on in your organization's patient centricity journey. Your management has either not identified patient centricity as core to your company strategy or has just started the discussion

Learner (Total Score = 10 to 14)

Your organization has identified the need to transition itself to become more patient centric. Management is behind this overall mission, but this same sentiment has yet cascaded down the organization.

Initiatives may be starting, but they are likely at the early stage and disjointed.

Proficient (Total Score = 15 to 20)

Your organization has made significant headway in its

patient centricity journey. The patient is at the core of your organization's strategy and, as such, there are various initiatives underway around the business to gain deeper patient insights and integrate the patient into your operations. Organizational structure and resourcing are not yet aligned behind this vision.

Expert (Total Score = 21 to 25)

Your strategy is not only built around the patient, but also the operations and activities of the organization. People and financial resources have also been aligned as well. Although actions may sometimes fall short, overall the patient-centric shift is starting to generate measurable results for the business.

This overall score not only gives an indication of where you are as an organization on your patient centricity journey, but also can allude to the types of actions you'll need to take to transform your organization.



Step 2: Build your Case

If your organization falls below the 'Expert' archetype, your colleagues may need some, or even significant, convincing on the merits of patient centricity. This will require you to build a solid case to do so. Although it is very difficult to measure the upside of patient centricity before you take action, it is becoming increasingly clear that life sciences companies face considerable risk in the medium and long-term if they don't their strategies and go-to-market approach around patients.

Dynamics such as payers increasingly looking to real world evidence to inform decisions about reimbursement, self-pay leaning emerging markets

increasing in prominence in global Pharma/Biotech leaders' business portfolios, and strong innovations and pipelines across the industry resulting in a more competitive environment, all mean that effective patient engagement is not only critical today, but will be even more so in the future. Organizations that are not patient-centric will eventually fall behind in terms of competitiveness, market position and, ultimately, profitability.

However, when building this case, it is important to get a perspective on how substantial the impact of doing nothing or very little will be. In particular, make sure to gather data on to the following to fully understand this aspect:

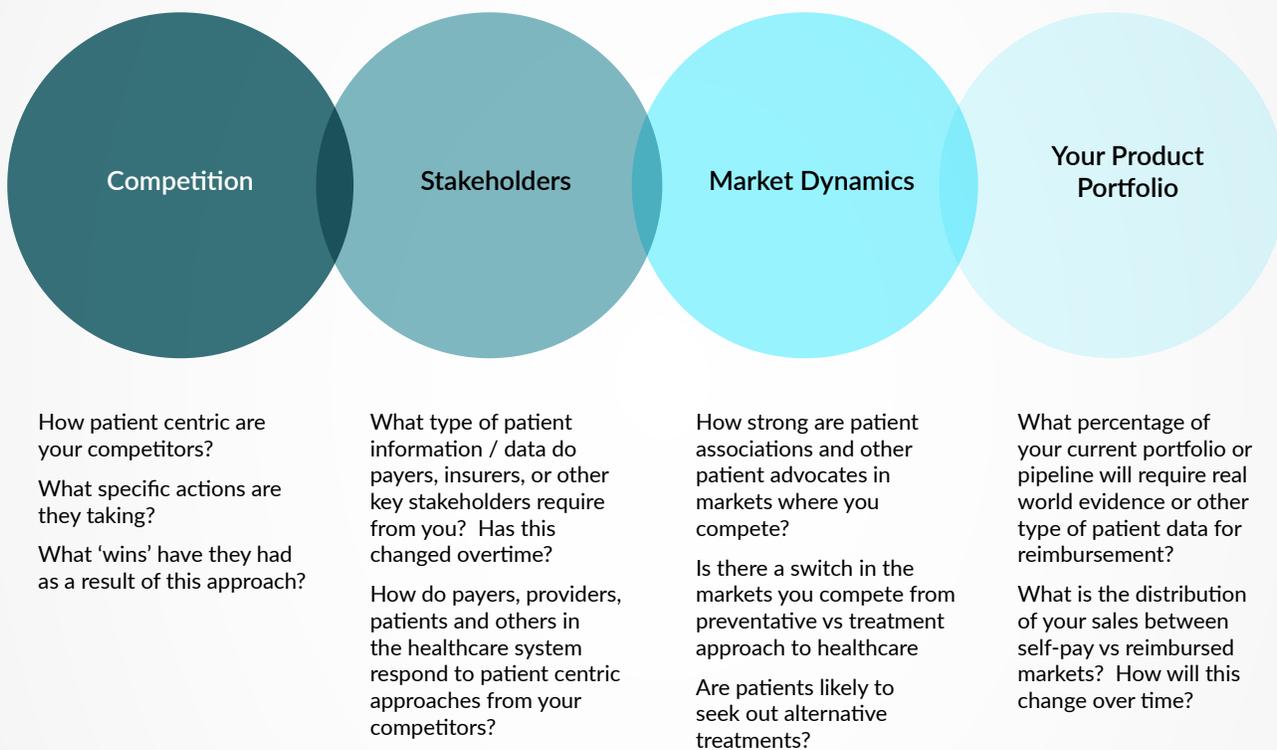


Figure X⁹, Source: The Aurora Project: 2016 Patient-Centric Benchmarks Survey



Step 3: Get Beyond the Silos

It is very likely you won't be on your own in your mission to transform your organization. There's a very good chance that there are other initiatives directly or indirectly addressing this topic either in your department or elsewhere in the business. Spend some time scanning the organization and inquire about other patient centricity initiatives going on across your business. Once you learn who's running those initiatives, reach out to them and set up time with them to get better details on the focus and objective of their work. Make sure you understand if some of the ideas you'd like to implement in your area may already be underway elsewhere. See if there's ways to collaborate with them and connect your initiatives.

Having a coherent and connected strategic action plan is an important step towards getting to the "High" archetype discussed above. Take the initiative to help your organization formulate both a clear understanding of the various initiatives going on as well as a point-of-view on how to bring together these various initiatives into a well-structured action plan.

Step 4: Put the Wheels in Motion – Take Action

Your organization is undoubtedly complex, which may even seem more so after you've proceeded through steps I, II and III. However, this complexity should in no way deter you from taking action. Take into account what you've learned thus far, and identify which activities within your realm of responsibility you can make more patient-centric. Examine again some of the ideas around patient centricity we've mentioned here or research others and start transforming those activities. Where needed, draw in allies from around your business to help you drive the transformation. In some instances this may not be easy and require you to do some convincing. To get them on-board, lay the 'case' you built in step I. Present your rationale and arguments, underscoring both the risks of not moving your organization toward patient centricity and the likely benefits of doing so.

Finally, if you want to get a few quick wins, identify one or two patient insights to act on. These insights can come via your discussions with others around the business, engaging patient organizations or, if you have some resources at your disposal, launching a targeted piece of patient insight research. Once you've identified a couple key insights, look for ways to translate them quickly into impactful actions with the aim of generating tangible results for your business.



BONUS: Spotlight on Customer Centricity

Boeing and the 787

It's often helpful when thinking about how to make organization more customer or patient-centric to take a step back and look at an example from another industry for inspiration. Here's a look at an example from another regulated, complex industry – airline manufacturing.

The situation

For 20+ years, the focus of airline manufacturers has been squarely on enabling their customers to achieve revenue and profitability maximization as overall airline ticket prices have decreased. While safety has become a standard in modern airplanes, achieving optimal fuel economization while also increasing passenger capacity have emerged as the holy-grail of modern airline design. More recently, however, both Boeing and Airbus (who collectively hold 88% market share^{viii}) have returned to putting the needs and wants of flyers back at the center the design of some of their recent aircraft.

The example

Perhaps the best example of this shift is Boeing's 787. While the 787 had a challenging introduction, having experienced various sets backs prior to its launch as well as troubles with its engines and lithium batteries, it has since recovered to become a hit

with flyers. With the 787's carbon fibre construction (making it both comfortable for passengers and highly fuel efficient), high ceilings, special climate control system that simulates flying at a lower altitude, and dimmable windows, Boeing was able to achieve its goal of developing an aircraft that would enable airlines to hit their bottom line as well as deliver flyers an enjoyable flight experience. Putting the flyer once again the center of its design process has paid-off for Boeing and airlines alike. Many airlines are reporting that there some flyers are demonstrating a clear preference for routes where the 787 flies^{ix} – unheard of in an industry where price has dominated for years as the overwhelming choice driver. In addition, the 787's new-found success has enabled it to emerge this year from a decade of losses and has given Boeing a nice share bump^x.

Of course Boeing has not abandoned its development of planes that appear to put airline profitability as the main design objective, as evidenced by their soon-to-be released 737MAX 10^{xi}. However, the success of the 787 shows the airline industry, which has come under fire as of late, that offering customers an enjoyable flight/travel experience can go hand-in-hand with profitability and operational efficiency.



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CapSys provides top-tier management consulting support on strategy execution topics. We are sector experts in Life Sciences and have a unique business model that provides flexibility and reduces risk for clients while maximizing impact.

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The Aurora Project: 2016 Patient-Centric Benchmarks Survey is an effort for motivated pharmaceutical professionals who want to enhance the pharmaceutical industry's patient-focused practices. Our group is a place where we can learn from each other, share ideas and formulate best practices to inspire creative change for pharma that will result in better health in the world.

End Notes

ⁱYeoman G, Furlong P, Seres M, et al. Defining patient centricity with patients for patients and caregivers: a collaborative endeavor. *BMJ Innovations* Published Online First: 24 March 2017. doi: 10.1136/bmjinnov-2016-000157

ⁱⁱ Blog post “How Patient Centric is the Pharma Industry”, PDD Innovation
<http://www.pddinnovation.com/blog/2016/06/how-patient-centric-is-the-pharma-industry/>

ⁱⁱⁱ “Please rank how important it is that pharma, biotech and medical device companies deliver on their patient focused missions/visions”, *The Aurora Project: 2016 Patient-Centric Benchmarks Survey, CapSys analysis*

^{iv} *Pharma Marketing News*, “Patient Centricity, Transparency & Pharma’s Reputation: Getting Beyond Lip Service,” Author – John Mack, Feb 2015

^v “How confident you are that pharma, biotech and medical device companies can deliver on their patient-focused missions/vision”, *The Aurora Project: 2016 Patient-Centric Benchmarks Survey, CapSys analysis*.

^{vi} **Types of Efforts Underway – Definitions:**

Categories of Types of Efforts Underway	Including topics such as...
Building capabilities – Leadership / culture / training	mission statements, training programs, strategy setting, etc
Building capabilities – Org structure changes	hiring, organizational redesign, hiring dedicated resources, etc
Patient / market intelligence	dedicated patient studies (qualitative, quantitative), gathering information via secondary sources, etc
External stakeholder engagement (doctors, associations)	collaborative programs with patient, doctor, etc associations, direct engagement with doctors, payers, etc.
Patient support programs	programs to engage directly with patients, provide access support, etc.
Engage patient in product development process	direct input from patient during product development process, clinical, etc
Product development	designing products around specific patient insights, etc
Marketing support integrating patient centricity	patient situation, insights incorporated into specific marketing programs, messaging, literature, etc
Patient support tools (testing, apps, etc)	digital applications for patient (health management), specific testing programs, etc
Patient awareness & advocacy	building patient’s awareness of disease state, treatments, etc, advocating for the patient with other parties, etc

^{vii} *The CapSys Patient Centricity Archetypes, 2017*

^{viii} *Wikipedia*, “Competition between Airbus and Boeing”
https://en.wikipedia.org/wiki/Competition_between_Airbus_and_Boeing

^{ix} “The Torturously Tight Plane You May Fly in Next”, *the Dailybeast* July 2017,
<http://www.thedailybeast.com/the-torturously-tight-plane-you-may-fly-in-next>

^x *Boeing 787 Dreamliner Turns Into Rainmaker, and Shares Soar*, *Bloomberg*, January 2017,
<https://www.bloomberg.com/news/articles/2017-01-25/boeing-profit-gets-a-boost-as-787-turns-from-drag-to-rainmaker>

^{xi} “The Torturously Tight Plane You May Fly in Next”, *the Dailybeast* July 2017,
<http://www.thedailybeast.com/the-torturously-tight-plane-you-may-fly-in-next>