The Role of Transformational Business Models in the Pharma Sector

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Abstract: The Pharmaceutical industry is in need for transformational business models focusing on digital. These models will require a paradigm shift from brand centric to patient centric approach. The digitization of clinical trials, even in the early stages, would have a real impact on not only clinicians but also subjects to manage their health and how pharma companies need to do business [2]. The commercial domain will also benefit from these models by improving their customer engagement and reach. The digital age of physicians require can be reached by multiple customer channels including websites, eDetails, banners and phone.

1. Introduction

The Pharmaceutical industry is now concentrating on providing a holistic approach to healthcare. The focus is shifting towards “democratization of healthcare” a new concept which places the patients on the driving seat. Transformational business models focusing on “patient centric” needs are required to drive this change. Large scale data analysis both on the clinical as well consumer side can enable this journey. If life science organizations are able to apply their acumen with big data and analytics to drive decisions and engage in smart collaboration, they will find order and opportunity between projects and sites [4]. These gaps result in trials which are long, ineffective and are unable to provide value to thousands of enrolled patients. A transparent and data driven business model, would highlight the patient need and adapt the ongoing trial as per the patient. Interactive metrics & systems can play a particularly pivotal role given the rich patient and drug data that can be pulled from the system and analyzed for complex studies like those in oncology [2]. Developing the right protocols, selecting the proper sites, setting the right expectations with all stakeholders, developing and tracking the right metrics and effective communication to the patients is the key to these models [2]. These models can help clinicians extract the exact data needed to provide the best quality of care for their patients [1]. More flexible and adaptive trial designs are expected to play a growing role in helping to optimize clinical study design by compelling sponsor companies to perform more rigorous upfront planning and simulation and to implement preplanned adaptions that may lower fixed operating costs and ultimately improve program success rates [5].

2. What can transformational business models achieve?

The transformational business models can help in streamlining clinical trails and making them patient centric. Currently global clinical trials have become a complex process from drug screening to enrollment feasibility analysis, adverse event analysis, financial tracking, and resource management [3]. Information sharing is often limited, and there is a need to improve creativity and the ability to predict adverse events, which necessitates sharing information between projects and sites [4]. These gaps result in trials which are long, ineffective and are unable to provide value to thousands of enrolled patients. A transparent and data driven business model, would highlight the patient need and adapt the ongoing trial as per the patient. Interactive metrics & systems can play a particularly pivotal role given the rich patient and drug data that can be pulled from the system and analyzed for complex studies like those in oncology [2]. Developing the right protocols, selecting the proper sites, setting the right expectations with all stakeholders, developing and tracking the right metrics and effective communication to the patients is the key to these models [2]. These models can help clinicians extract the exact data needed to provide the best quality of care for their patients [1]. More flexible and adaptive trial designs are expected to play a growing role in helping to optimize clinical study design by compelling sponsor companies to perform more rigorous upfront planning and simulation and to implement preplanned adaptions that may lower fixed operating costs and ultimately improve program success rates [5].

3. Conclusion

The biopharmaceutical industry is undergoing a widespread revolution. The era of the blockbuster drug is rapidly fading. Many high-revenue-producing drugs are about to have expired patents, and the pipeline to replace these drugs and their associated revenue is not encouraging [6]. To overcome these challenges there is a need to transform the business
models to a more patient centric approach. Digital innovation still faces challenges, such as the lack of clarity about who pays for digital solutions, but digital and data analytics should certainly be high on the horizon for upcoming clinical trial designs. Pharma companies that want to keep up-or move ahead-must be bold and adopt an act-now mentality. They must build innovative business models, invest in new capabilities, and transform their organizational cultures [2].

4. References


