



REDEFINING YOUR VALUE TO WIN THE EMPOWERED PATIENT

Six Steps for Life Sciences Firms to Stay Relevant in the New Healthcare Ecosystem

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Patient-Centricity Is Taking Center Stage Across the Life Sciences Industry

This basic concept and language of patient-centricity have become very familiar in the pharmaceutical and medical device industries over the last few years. In its recent Global Benchmarking Survey, the team at The Aurora Project found that 86% of industry participants scored the importance of delivering on patient-focused missions as 8 or greater out of 10 – in other words, quite important.ⁱ This isn't too surprising given the convergence of both industry micro-trends and consumer macro-trends that are broadly changing expectations and behaviors across the healthcare landscape.

Within the life sciences industry itself, we see new evidence-based guidelines stressing the importance of patient engagement, from a recent draft of FDA guidelines calling for patients to have stronger voices in clinical trials to new cholesterol management guidelines stating that “[incorporating] an individual’s values in treatment decisions is not only the right thing to do but can also increase the likelihood of adherence.”ⁱⁱ We also see government and regulatory agencies actively promoting programs to bring patients into the R&D process in a much deeper way, such as the FDA’s “Patient-Focused Drug Development” initiative.ⁱⁱⁱ Outside the industry, major shifts in consumer expectations and behaviors are creating new demands of all organizations, including pharmaceutical and medical device firms – and we dive deeper into those trends below.

Unfortunately, but also not too surprisingly, the high interest in patient-centricity has not yet translated into effective execution for most life sciences firms. Looking at the same Aurora Project survey referenced above, only 21% of participants said they were confident in their own companies delivering on their patient-centric missions. That’s a problem.

In order to understand how to develop and execute an effective patient-centered strategy, we need to start by better understanding today’s patient.

Today's Patient Is the New Industry Authority

Changing consumer expectations and behaviors have brought just about every industry to a tipping point, where consumers – not traditional experts, companies, or brands – have appointed themselves as the new authority. While the trend may have started in less expert-dependent industries like travel and banking, it's now also penetrating areas where consumers have historically had much less power and influence, including healthcare. The healthcare industry itself also emboldened patients to redefine their roles in response to rising healthcare costs, shrinking provider availability, and increased skepticism of the medical insurance and life sciences industries. Macro- and micro-trends have come together to create a perfect storm in healthcare, and that means life sciences firms need to seriously rethink their roles and value in the new patient-centered landscape.

To get a deeper understanding of the new environment, consider the following trends that are putting patients in the driver's seat:

- **Knowledge abundance**

The wealth of knowledge available online has made health information both broadly accessible and much more understandable. Hospitals, nonprofit associations, and bloggers transformed professional jargon and made it accessible to billions of consumers who are now turning to the web before they turn to traditional experts, such as physicians. In fact, a dotHealth Consumer Health Online 2017 Research Report that found 57% of consumers consult the internet for information before visiting a doctor and only 32% consult with their doctor first. ^{iv}

- **Evolution of peer groups**

Patients are establishing local and global support groups of peers in similar situations. They find this authentic support system trumps traditional knowledge sources such as physicians and pharmaceutical companies. Patients find more strength and support in those groups and amplify their roles in the overall ecosystem.

- **Remote, accessible medicine**

With wearable devices delivering trackable personalized wellness plans, personalized medicine is not far behind, and consumers see it coming. The use of wearable devices can decrease the need to see a doctor as more advanced devices can monitor patient health metrics such as blood pressure, heart rate, and diet on the go. Instead of going to a clinic for monitoring, patients can stay home and still stay connected to their providers and other players in the ecosystem. If a patient's blood pressure spikes, the doctor can receive a notification and act. Wearable devices offer less invasive and more convenient ways to get great care.

- **Promise of personalization**

Genome research will lead to the development of better drugs. The goal is to produce new drugs that are highly effective, without serious side effects. According to The Medical Futurist, "Biopharmaceutical industry players estimate that 42% of all compounds and 73% of oncology compounds in the pipeline have the potential to be personalized medicines." ▼ Consumers see this trend unfolding too, and it's changing their expectations of personalized care.

- **Health as a lifestyle**

The recognition that health goes beyond treating a symptom or a disease is no longer enough. Patients are seeking holistic solutions that are not available through their traditional healthcare providers. Those providers' solutions are perceived as narrow and insufficient to address the whole body, mind, and spirit issue that the patient is experiencing. As such, patients are seeking to create their own complete solutions.

- **Technology savviness**

The more technology-savvy patient is willing to experiment with new technologies and tools to learn more about health and address the issues he or she is facing. Since generations tend to bring their technology habits with them as they age, even older segments of the population are now becoming comfortable with digital tools and services.

- **Social engagement**

The socially active patient is seeking like-minded patients and friends who can guide him or her through the journey. This is especially magnified by the shrinking time windows that traditional healthcare providers have to spend with their patients.

- **Quality mindedness**

Today's patients recognize that they do not need to compromise. They demand both professional, clinical excellence and high quality of experience in their treatment. They expect their healthcare providers to be kind and compassionate and treat them as human beings, not numbers. They want to be individuals and equals in their own healthcare.

- **Cross-industry benchmarks**

A McKinsey study discovered that patients are expecting their healthcare providers to deliver similar experiences to those they receive from top technology vendors such as Google and Amazon, and top performing retailers such as Chick-fil-A.^{vi} They do not lower their expectations or adapt them because the healthcare industry never aimed to deliver such experiences. Patients benchmark their expectations against the best in the world and expect healthcare providers to rise to those levels.

- **Financial responsibility**

In the past, it seemed as if money was not an issue. Patients pursued the best medical treatment and trusted their healthcare providers and payers to sort out the rest. This is no longer the case for a huge number of patients who now rely on things like high-deductible health plans and seek solutions outside the typical clinical boundaries. The demand for financial transparency and responsibility is becoming an integral part of the healthcare ecosystem. Unexplained charges and inflated costs are making room for a more responsible approach to health with better understanding and decision-making.

These trends are coming together to create a new healthcare ecosystem, an ecosystem in which proactive, empowered patients are in control of their future and, to a large extent, the future of the industry.

The New Patient's Persona

With powerful new tools and information, high expectations from other industries, and a newly defined perspective on their roles in their own healthcare, patients are becoming fundamentally different. We're meeting a new patient persona. Knowing her is the first step in effectively engaging with her.

The new patient persona is declaring freedom and paving a new path with the following shifts in attitude and behavior:

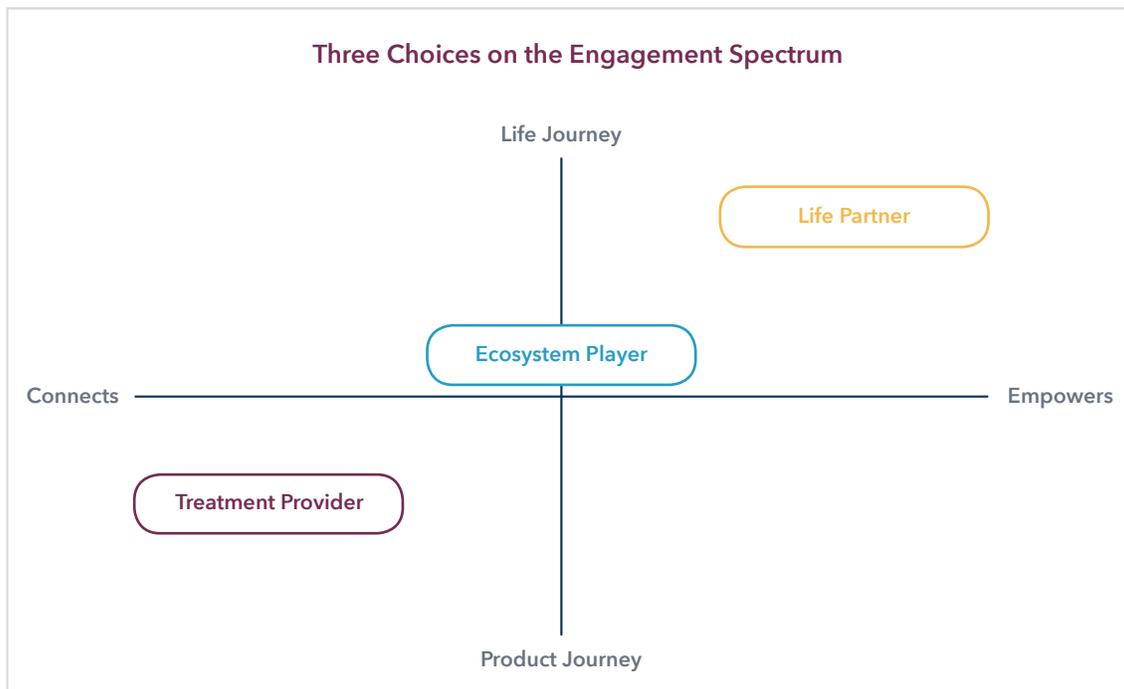
- From **passive** recipient of treatment to **proactive** seeker of solutions
- From **taking orders** from higher authorities to **collaborator** with experts who respect her opinion
- From **pill taker** who addresses symptoms to a **co-creator** of a complete personalized holistic solution personalized
- From **loneliness** with her disease to **social activism** and sharing with others
- From a **number** at a hospital treated in the same way as others to a **name** and an individual who is acknowledged and respected
- From **acceptance of poor service** in the name of "they know better" to **demanding excellence** and not compromising clinical excellence and experience excellence
- From **dependence** on experts who know what's best for her to **independence** to look for what is right for her

We are now encountering a new authority who demands more and expects more. Today's patient is presenting a challenge to other players in the healthcare ecosystem to come to the table with a different attitude and engage patients as equals.

The Three Strategic Choices on the Engagement Spectrum

In a patient experience study on a mainstream diabetes treatment, we discovered a strong correlation between patients’ engagement with other patients and their willingness to stay with their current treatment. Unfortunately, the correlation was a negative one. It turned out that patients who engaged with other patients were actually more likely to switch treatments. While traditional tools like welcome kits and patient websites from the pharmaceutical company were important to patients, the broader patient ecosystem played a critical role that the pharmaceutical company hadn’t previously considered.

That firm, like all its peers in the life sciences market, needed to redefine its value in the context of a new ecosystem of partnership between patients, peers, providers, payers, and other life sciences firms. This new kind of partnership will require the partners to establish a new sense of trust and new rules of engagement, which will be a tough challenge for those partners who previously called all the shots.



Option 1

The treatment provider is best characterized by the traditional role that pharmaceutical companies and medical device manufacturers have played. They provide their products with little accommodation for the patient's complete healthcare ecosystem. Although they provide welcome kits and other tools to assist the patient, these elements focus mostly on the treatment itself and demonstrate a desire to drive brand preference vs. a goal to support the patient's broader needs related to a disease or overall wellbeing.

Choosing this strategic choice will require organizations to optimize their patient experiences and reduce complexity. Beyond that, they will be expected to focus on reliability and quality. This level of patient ecosystem engagement will be considered minor, requiring less and less investment. The price a treatment provider will pay is the risk of becoming a commodity in a world where competitors are seeking relevance and advantage.

Option 2

The ecosystem player will raise its game beyond the product and seek to develop tools and support systems to ensure that patients are well-equipped to serve themselves. These tools go beyond traditional websites and seek to support patients in their most emotional moments. Creating a world of empathy that starts supplementing the world of clinical healthcare will empower patients to make better decisions during their key moments and stick to those decisions, decreasing possible relapses or other breakdowns. As such, ecosystem players are elevating their roles from point solutions to treatment journey guides, empowering and sharing knowledge and capabilities with patients and creating a world of motivated and educated patients.

While the immediate return on investment may not be as apparent when developing ecosystem tools, the strategic role you will be playing in the minds and hearts of patients and providers is critically beneficial. By solving a broader array of patient and provider challenges, life sciences firms can begin to take on a preferred partner position and create advocacy far beyond what you could expect with traditional marketing investments.

In a highly connected world, your authentic commitment to the patient (including via the provider) will be perceived as more authentic and therefore more desirable.

Option 3

The life partner rises to the ultimate level, though not a level every life sciences firm can or should pursue. As a life partner, you will engage with all aspects of patients' lives and seek to support the "whole" patient. You will connect to patients' purpose and empower them not just to heal but to thrive. You will not just ease their pain but create new hopes and aspirations. As a partner in their life purpose, your products will become a means to an end. They will no longer exist to fix a problem. They will be the catalyst to overall patient success.

The life partner option carries with it the most promise for true partnership. It does, however, require rethinking the role of healthcare providers and pharmaceutical companies as well as other life sciences firms in the ecosystem. All parties will need to rethink their definitions of success, measuring them more based on engagement and commitment. Pursuing a life partner strategy is simultaneously the most challenging and the most promising option.

Does one need to leap from Treatment Provider to Life Partner in a short period of time?

No. The path for each player to become an effective partner in the healthcare ecosystem will be different and will require a different timeframe. Players will need to assess their readiness and willingness to invest in their evolving roles. They do, however, need to equally consider the price of not taking on any of these roles. The status quo is not an option. It will only distance a player further away from patients and render it less relevant. Patients have already marked their territory as authorities, and the industry is already adapting.

6 Steps to Engage in the New Healthcare Ecosystem

The path to success in the new healthcare ecosystem won't be easy for most life sciences firms. It will require fundamental changes to business models and processes and perhaps even more fundamental changes to employee mindsets and behaviors.

Ready to get started?

Here are 6 steps to chart your path to success in the new healthcare ecosystem:

1

Redefine your value

Determine the role you would like to play across the engagement spectrum. Are your products and services merely cogs in the big machine, where you do not see yourself as a trusted partner? Or is it imperative for your sustainability to become a more critical player in patients' lives? Would technology ultimately reduce or even eliminate your competitive advantage, or will it provide the frictionless experience that will support your role as a treatment provider? These are some of the guiding questions you ought to examine to start finding your role in the new healthcare ecosystem.

2

Map your patient experience ecosystem

With your new value in mind, take the time to map out the ecosystem you will need in order to deliver that value in a patient-centered world. Start with the target patient experience and then work your way backward to the interactions and capabilities you will need to offer – both directly to the patient and indirectly through other players in the ecosystem, including peers, caregivers, providers, and payers. This is where the implications of your new value become clear, defining not only what you want to be but also what you need to do. As you map the ecosystem, consider that patient journeys often don't have consistent levels of engagement throughout. Instead, they are marked by significant peaks and valleys based on the critical transition moments patients experience related to their health and wellbeing. Those critical moments may relate to a life-changing diagnosis and the mental and emotional scramble that ensues, or they may relate to sudden changes in financial status. Life sciences firms will need to focus on those key transition moments most and develop clear strategies, plans, and capabilities to support the entire ecosystem in supporting the patient at those critical times.

3

Design new tools and engagement channels

Your existing offerings won't be sufficient in the new patient experience ecosystem. Rethink the information and tools you are offering patients as well as the channels you are using to deliver experiences. The new ecosystem will require you to solve a broader range of patient challenges and to do so not only through multiple direct engagement channels (e.g., web, mobile, phone, in-person) but also through other players in the ecosystem, such as third-party information sources, providers, and even other life sciences firms. Across the ecosystem, technology will play an increasingly crucial role in connecting the ecosystem. While privacy and compliance laws will continue to be crucial in healthcare, transparency and collaboration will require developing new ways to share knowledge and collaborate.

4

Align your internal roles and capabilities to the demands of the new ecosystem

In order to deliver enhanced experiences to patients and other players in the ecosystem, you will also need to rethink the roles of your employees as well as the tools and capabilities they will need to be successful. For example, consider how your marketing team or sales force may need to adapt in order to deliver on your new value and accommodate all the players in your newly defined ecosystem. Everyone who engages with patients or other players in the ecosystem will need to be equipped to deliver, and even back-office employees will need to understand and execute their roles effectively in order to enable the rest of the organization to deliver great experiences.

5

Build the cultural foundation

As you rethink your role and examine your current ecosystem, you'll likely encounter deeply entrenched beliefs and behaviors - things that were formed over many years based on employees' collective experiences with the company, the industry, and the broader popular culture as it has been up to now. To become patient-centric and sustain that patient-centricity over time, you will need to establish a strong cultural foundation that will guide the decisions of thousands of employees every single day, especially in situations when those employees won't have defined processes or policies to follow. Patient-centricity must be based on employee choice, not adherence to an order. The required cultural shift won't be executed with a memo from the CEO. It will require uprooting old cultural narratives and replacing them with patient-centric narratives. It will require old paternalistic attitudes to be slowly replaced by new beliefs in equal partnership with patients. A culture that took years to establish will need to be carefully reassessed and redesigned to retain the good of the past with the promise of the future and supported with new platform for patient compassion and care.

6

Govern and measure the new engagement model

As with any transformation, sustaining momentum is crucial. It is not just about a one-time decision and an inspiring workshop. It is about developing new ways to work and ensure success, and it is equally about letting go of the old ways of operating. Developing the governance model that will track progress, adjust and adapt as needed, and ensure that the evolution comes to fruition will be critical to the success of the transformation.



Time to Join the Patient-Centric Revolution

Patients have taken charge of their lives, and they are empowered by increasingly more sophisticated and accessible tools. They still require physicians, hospitals, insurance companies, and life sciences companies to support them, but the dialogue, expectations, and engagement are changing radically as patients approach their healthcare with confidence and knowledge rather than fear and submission. It's time for life sciences firms and the other players in the healthcare ecosystem to join the revolution and build a more equal and effective partnership with patients and each other. For the life sciences firm that successfully redefine their value and consistently bring it to life in the new ecosystem, the reward will be sustainable competitive advantage.

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