

# The Oncology Market: Six Key Trends for the Next Three Years

*Is your company prepared for these game changers?*

Change is nothing new in the oncology selling environment. New products, growing competition, and shifts in reimbursement practices all contribute to make the market a moving target for sales and marketing executives. However, research reveals that six key trends could play a major role in how the market shakes out in the next three years.

As part of its “Oncology Performance Edge” research series, Health Strategies Group has identified “Six Key Trends Shaping the Future Oncology Selling Environment.”

- Use of treatment pathways grows
- Reimbursement shifts to increased use of preauthorization and precertification and some implementation of alternative incentive plans
- Patients share more costs for oncology products
- Companies face tighter restrictions on sales and marketing
- Oncology office staff gains greater influence
- Oncologists’ information needs and preferences are changing, with less reliance on representative-delivered information

How sales and marketing executives respond to these trends today could affect how well their oncology brands are positioned for the future in this challenging marketplace.

## Trend

# 1

### Use of treatment pathways grows

The number of patients treated in infusion centers—often managed by hospitals—will increase. Hospital pathways are likely to be adopted by infusion centers. In addition, more oncology offices will implement pathways.

**Implication:** Increasing oversight takes aim at improving cost and quality. Studies suggest payors

can see a 35 percent reduction in costs if patients are treated according to national guidelines. Pathways will enable nurse practitioners to manage more patients, while patients who fall outside of pathways will still be treated by oncologists.

**Action Steps:** To prepare for this trend, companies should:

- Understand which guidelines are most utilized in their market, as well as the process for inclusion on such guidelines. Companies also should engage regional opinion leaders and other points of influence for pathway developers.
- Have Sales and Marketing develop messaging that includes pathway alignment or use. If messaging conflicts with pathways, product adoption will suffer.
- Train representatives to inquire about the use of electronic medical records in offices to predict how quickly their customers will move toward pathway adoption and adherence.

## Trend

# 2

### Reimbursement shifts to increased use of preauthorization and precertification and some implementation of alternative incentive plans

Payors will begin to develop internal systems so their more experienced personnel will manage and monitor reimbursement.

**Implication:** Payors no longer cover off-label indications. Medicare sets one price for reimbursement, and more patients access drugs through specialty pharmacies. Payors may begin to incent oncologists for adherence to pathways.

**Action Steps:** To prepare for this trend, companies can:

- Make sure they are positioned well on National Comprehensive Cancer Network (NCCN) guidelines, since all payors look to NCCN for decisions on prior authorization or precertification.
- Ask account managers to start developing meaningful relationships with plans' pharmacy directors and medical directors so they can make informed reimbursement decisions.
- Move toward providing information to support decision-making on comparative effectiveness of current and future products.
- Have a seat at the table with the Centers for Medicare and Medicaid Services (CMS) and key players on oncology quality initiatives.

### Trend

## 3

### Patients share more costs for oncology products

Out-of-pocket costs rise, and traffic to oncology patient websites grows.

**Implication:** Patients could continue to rely on oncologists for choosing

treatment, or they may become empowered to make decisions based on their own comparisons, including a review of comparative costs. Currently, about 55 percent of oncology offices run the numbers on the out-of-pocket costs of particular products before they have treatment discussions with patients. By 2013, two-thirds of offices will offer that information to patients.

**Action Steps:** To prepare for this trend, companies may:

- Take greater care to learn which factors influence patients' acceptance and adherence to therapy.
- Expand their marketing to mid-level practitioners, who may play a more significant role in caring for oncology patients.
- Think of the patient as a key customer when developing their marketing plans. Patients rely on blogs and social networking sites to share information, which may or may not be correct. In the future, marketing organizations may need to employ teams who understand how to navigate social media. At the very least, they need to monitor social networking sites for inaccurate information and correct misperceptions about their products.
- Provide more tools, such as call centers, social networking websites, and other resources to help support patients in decision-making.

- Have their brand marketing teams support key advocacy groups with information about the product and its comparative use.
- Adapt decision-making tools and other resources originally designed for oncologists for patient use.

### Trend

## 4

### Companies face tighter restrictions on sales and marketing

Not only will licensure for pharmaceutical salespeople grow and state restrictions become more prevalent, but also oncology offices will enact tighter restrictions on representatives.

**Implication:** Tough restrictions will remain and will be driven by state legislative activities and legal settlements. Companies may once again need to re-examine the deployment—and compensation—of representatives.

**Action Steps:** To prepare for this trend, companies may:

- Enact tighter restrictions on sales activities and enhance training of their representatives.
- Develop new methods of communicating with customers, such as e-detailing, webcasts, and mobile applications.
- Monitor face-to-face interactions with office staff and oncologists for value.
- Look at maximizing opportunities to develop relationships with oncologists during key product development phases, such as Phase III product testing and launches.

### Trend

## 5

### Oncology office staff gains greater influence

The market has more group practices with larger office staffs, and hospital infusion centers are growing.

**Implication:** Office staff may spend more time with patients on education and decision-making, while patient financial counselors—who come from varied backgrounds as social workers, pharmacy technicians, and reimbursement experts—have greater influence on product preference. In addition, infusion nurses and nurse practitioners become more important in patient care.

**Action Steps:** To prepare for this trend, companies may:

- Develop resources for use by the entire patient care staff, including infusion nurses and nurse practitioners. Resources should include clinical information, pathway management, and patient management tools. A one-size-fits-all approach to resources may no longer be appropriate.
- Provide more support and information on product reimbursement to patient financial counselors and office managers.
- Develop specific educational tools for the office staff on how to manage patients during infusion and how to address complications of treatment.

**Trend**  
**6 Oncologists' information needs and preferences are changing, with less reliance on representative-delivered information**

While older physicians still prefer large medical meetings, mobile devices and other technological improvements are driving younger oncologists to the Internet. For many oncologists, technology has led to information overload.

**Implication:** Companies could capitalize on the

trend by segmenting their message and resources to specific markets and ensuring representatives have compelling and clinically relevant information to discuss with busy customers.

**Possible Action Steps:** To prepare for this trend, companies may:

- Encourage sales and marketing executives to develop tools and messages that are specific to oncologists' needs. Younger oncologists tend to prefer information on reimbursement and practice management, as well as how to engage with patients. Older oncologists still value clinical information and educational meetings.
- Develop the comparative data that assists oncologists in identifying the right patient for treatment. Marketing should be at the table early on in research and development to ensure there is proper data to support the best positioning when a product comes to market.
- Evaluate their e-resources and make information easier for customers to use. Examples include search engines and data aggregators.

---

**About Oncology Performance Edge**

Oncology Performance Edge service from Health Strategies Group, puts marketing and sales leaders on the right path to maximize the performance of oncology marketing and sales resources. This service provides an objective evaluation of the oncology sales environment including future trends, benchmarks sales team performance vs. relevant competitors, and offers on-call access to our oncology experts for advice on implications and recommendations to give you a competitive edge.

**About Health Strategies Group**

Health Strategies Group has been providing market intelligence and research to pharmaceutical and biotechnology professionals since 1992. We transform research results into the practical knowledge and strategic recommendations you need to make the best business decisions. For more information about Health Strategies Group, call (609) 397-5282 or visit our website at [www.HealthStrategies.com](http://www.HealthStrategies.com).