Innovation Navigation: Road Map from Idea to a Successful Company

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Agenda

- Fighting the Product Development Paradigm from a commercial prospective
- Why Marketing is Important from the Start
- Voice of the Customer
- How to Define a Critical Unmet Need
- How to Determine the Marketing Opportunity
- Go to Market Strategy
Fighting the Product Development Paradigm

Problem:
- #1 Building "something" nobody wants – 36%
- #3 Lack of Focus - 13%
- #4 Fail to execute Sales & Marketing early - 12%

Solution:
- No one size fits all - very true in marketing
Why Marketing Decisions are made in Product Development?
Start-up or Small Company

• Angel or VC investors
  • What problem (unmet need) are you solving?
  • How are you going to solve it and better?
    • Innovation
  • What is the market opportunity?
    • Overall market
    • Product opportunity
  • How are you going to penetrate the market?
    • Product adoption and Market strategy
    • Financial Projections
Product Development is Very Risky

Product Development is Very Risky

Why Are They Asking These Question?

- They have investors who invest in their funds
- Goal: To achieve a 5x or 10x return
Solution: De-risk Product Development

Two things to de-risk the product development process:

1. Good Science
2. Business/Commercial Due Diligence
Voice of the Customer

- Customers can tell you what problems they have.
- Customers are rarely qualified to solve their problems.
- Marketing defines if it is a critical unmet need.
Important How and What Questions You Ask Your Customer

Example:

Dr. Jones, what do you think about our product for “x” disease?

Bias, only ask about the product not about problem, MD will be helpful, but product may not solve his problem.
Definition of an unmet need

Nice to Have (0-2) or Must have = critical (7-10)?
Is your definition of Unmet Need the same as others?
Market Opportunity for Product

- Product Adoption ★
- Define target segment/s
- Competitors
- Market Trends
- Technology Trends
Google/Alcon Contact Lenses: monitoring glucose levels
Product Assessment

- What problem (unmet need) are you solving?
  - Finger pricks to measure glucose
- How are you going to solve it and better?
  - Elimination of finger pricks – measure thru tears
- What is the market opportunity?
  - Start with overall market
  - Calculate the product opportunity
- How are you going to penetrate the market?
  - Product adoption and Market strategy
Diabetes Market – Overall Market

- Diagnosed and undiagnosed diabetes in the United States
  - Total: 29.1 million people or 9.3% of the population have diabetes.
  - Diagnosed: 21.0 million people.
  - Undiagnosed: 8.1 million people (27.8% of people with diabetes are undiagnosed).
  - Type 1 - 5% of diabetes population, Type 2 - 95% of diabetes population
Product Opportunity

- What Percentage of People Use Vision Correction Device?
  - 75% of adults use vision correction device.
    - 64% wear eyeglasses
      - >50% women
      - 45% men
    - 11% wear contact lenses
      - 18% women
      - 15% men

Source: Vision Council of America
Product Opportunity

- Three Segments of the Population
  - Those that wear glasses – 64%
  - Those that wear contact lenses – 11%
    - 2.31 million diabetics
  - Those that don’t wear vision correction device – 25%
- Two sub-segments for each
  - Men and women
Those who wear glasses

- How do you convince them to wear contact lenses?

- How do you convince those that don’t wear corrective vision to wear contact lenses?
Questions You Need to Ask When Developing Your Product

- Will it be part of the contact lenses or a separate device?
  - If sensor is part of the device, how comfortable is it?
    - Too thin, Too thick, aesthetic appearance
  - If separate device, how easy is it to apply?
- Will it be a daily disposable lenses or regular disposable?
- Are the contacts to be worn 24/7?
- How do people clean their contact lenses due to protein build up?
  - Multipurpose solution or Clear Care – hydrogen peroxide, damage to sensors
Market Opportunity for Product

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Product Adoption
Voice of the Customer

- Key Players – 7 Ps
  - Prescribers
  - Healthcare providers
  - Patients
  - Payers
  - Policy – regulatory
  - Politics
  - Public

[FDA]
[BlueCross BlueShield]
[Creating markets and marketing strategies]
Why Product Adoption is Important

- Once the product is out there, the first impression is the lasting impression.

- Once the product is out there, you can’t take it back.
Go To Market Strategy

- Questions to answer in developing your strategy:
- How are you going to differentiate yourself?
- What is your competitive advantage that is significant?
- Where are you going to be better in the treatment process?
- How do I get product adoption from all seven (7) stakeholders?
# Building Commercial Value Early in Product Development

## Product Development Process

<table>
<thead>
<tr>
<th>Disease Strategy</th>
<th>Candidate Nomination</th>
<th>First in Man</th>
<th>POC</th>
<th>Development of Launch Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre-Clinical</td>
<td>Phase I</td>
<td>Phase II</td>
<td>Phase III</td>
</tr>
</tbody>
</table>

- **Disease Area Strategy**
- **Value Proposition**
- **Indication Prioritization**
- **Financial Trade-Off Decision Analysis**
- **Pricing Analysis**
- **Target Product Profile**
- **Competitive Analysis**
- **Patient Disease Analysis**
- **Shareholder Analysis**
- **Policy (regulatory) Landscape**
- **Payer/Provider/Patient Adoption**
- **Technology Assessment**
- **KOL Analysis/Interviews**
- **Draft Launch Label**

### Regulatory Plans
- NDA Submission Plans
- "Occupational Efficiency"

### Clinical Development Plans
- Health Economic Data

### Development of Launch Plans
- Messaging
- Positioning
- Marketing Strategies

### Sales Channels
- Value Proposition
- NVP/ROI Evaluation

### Market Access Plan
- Market Access Plan - PhI/II
- Stakeholders Needs Assessment
- Patient Access consideration

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Everything in bold is part of New Product Planning/Strategic Planning

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**BioMarketing Insight**

Creating markets and marketing strategies
Susu Wong - Agenda

- Accelerated Marketing Plan - The Marketing Canvas
- Establishing your Brand Positioning Statement
- Building the Ideal Customers Persona
- Customers' Experience Journey
- Competitive Analysis
- Crafting the Optimal Marketing Content
Questions?

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