

McKinsey&Company

Current perspectives on Medical Affairs in Japan

JAPAN
MEDICAL AFFAIRS
SUMMIT

February 8, 2018

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Five+ years ago, Medical Affairs played primarily a support role



“Commercial roles matter, Medical Affairs is there to support”

Today, the demands on Medical Affairs are rapidly growing globally

New decision-makers





Similar changes and demands are arising in Japan



New decision-makers

- Increasing use of clinical guidelines by the government



Broader definition of value

- Ongoing HTA pilot and future integration into price revision scheme



Increasingly complex science

- New technology such as CAR-T and gene therapy in pipeline



More data and transparency

- Full launch of MID-NET from FY 2018



Wide-spread adoption of technology

- Increasing adoption of digital channel by HCPs



Evolving commercial model

- MR visit restrictions
- Rise of multi-channel



Increasingly stringent regulatory environment

- Recent pricing reform

The scope of medical activities continues to increase

■ Historical focus ■ Growing focus ■ New focus



Relationship management and communication of product information



Medical education



Medical information services



Medical communications, including publications



Post-launch clinical trials
(e.g., Phase IIIb/IV trials, IIS and observational studies)



Medical strategy



Health Economics and Outcomes Research (HEOR)



Real world evidence

We see medical taking more prominent role as the “Third Pillar” of the business in Japan



Four priorities for Medical Affairs leadership in Japan



A

Deeper understanding of the customers to better target the different needs of physicians and be able to provide tangible value



B

Getting ahead in digital leadership to facilitate coordination and integration across different medical data and knowledge



C

More integrated working model with commercial & other internal partners to enhance patient access to and best use of optimal medical treatment



D

Develop and acquire talent to cultivate and to build a strong, multi-faceted Medical Affairs organization that encompasses the new set of competencies

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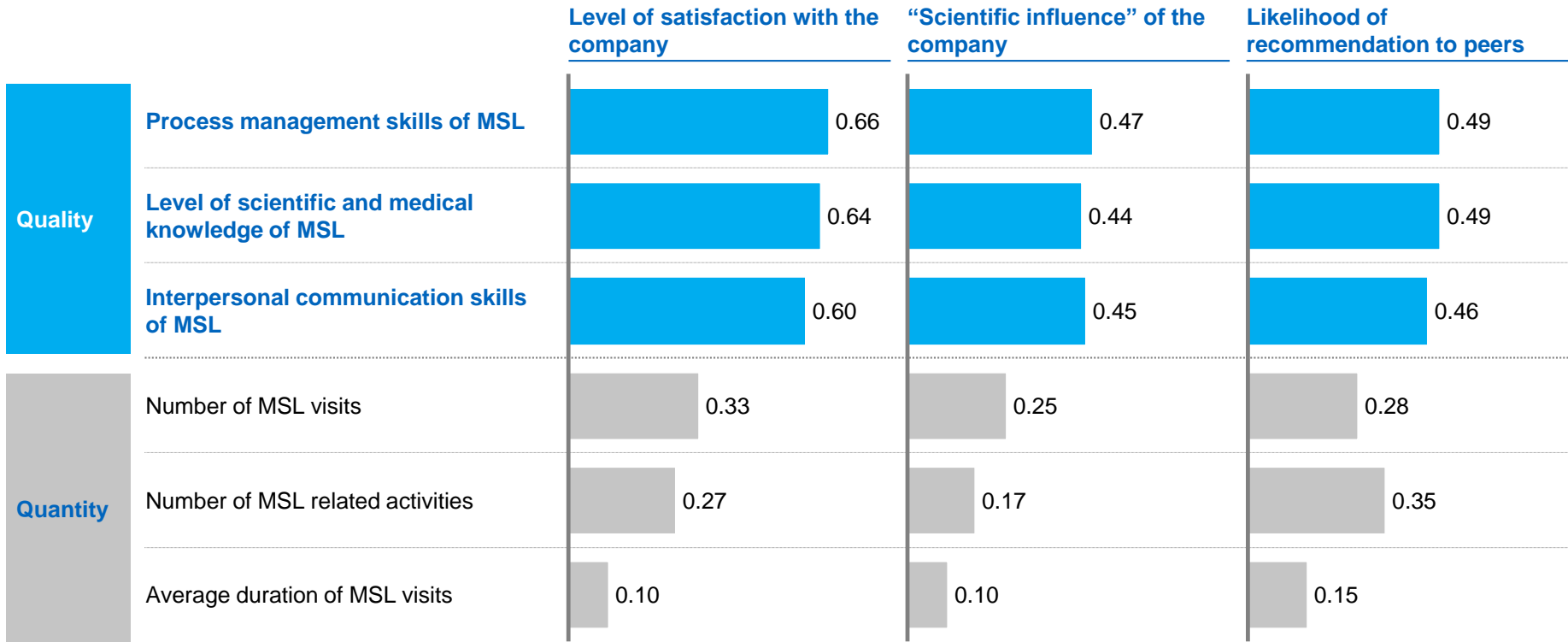
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Quality of MSL interaction have clear correlation with the satisfaction and scientific influence of the company

Correlation between quality and quantity of the MSL activities and overall impact of a pharma company

Percentage of respondents per case; n =460

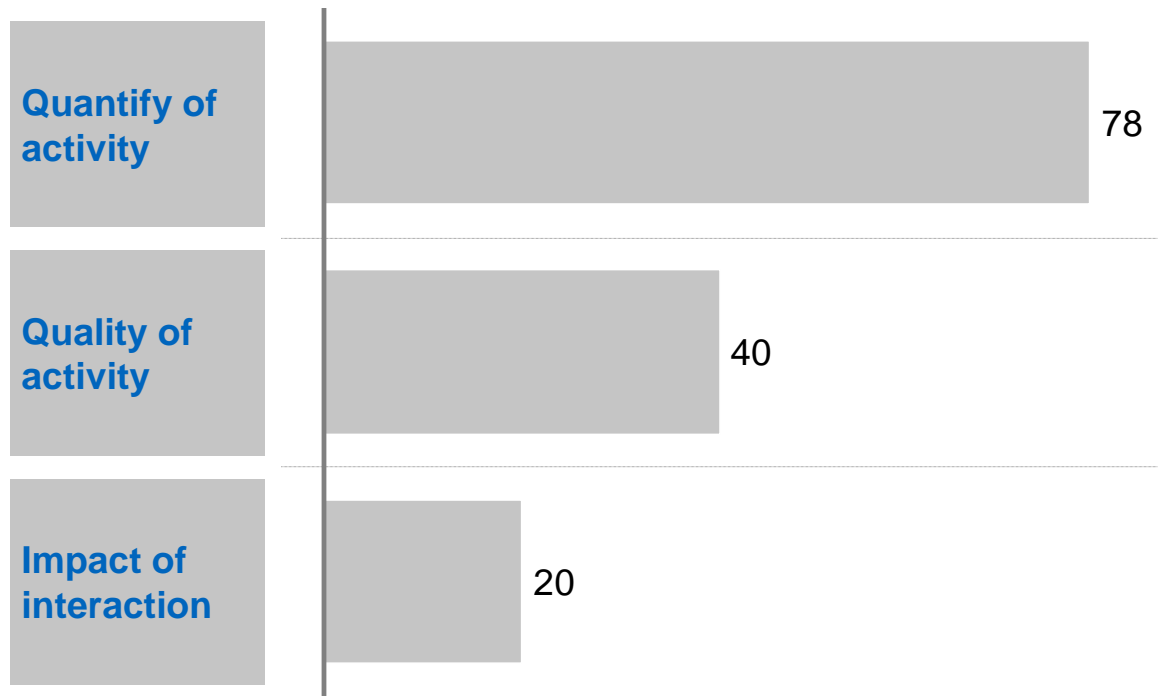




Yet, most companies are measuring quantity metrics of MSL activities than quality or impact metrics

Performance management & metrics, 2015

Percentage of respondents gathering the metrics¹



- **What are the quality and impact metrics that are representative of Medical performance in Japan?**
- **How can we find more practical and objective ways to measure these metrics? More real time?**
- **How can we build a better feedback mechanism for continuous performance improvement?**

¹ N=13

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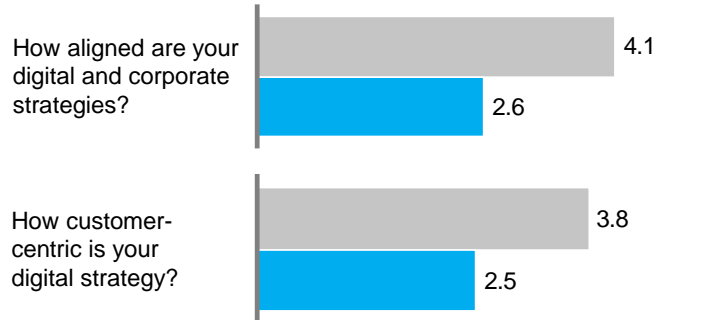


Pharma players in Japan generally lag behind digital leaders across most elements of digital enablement

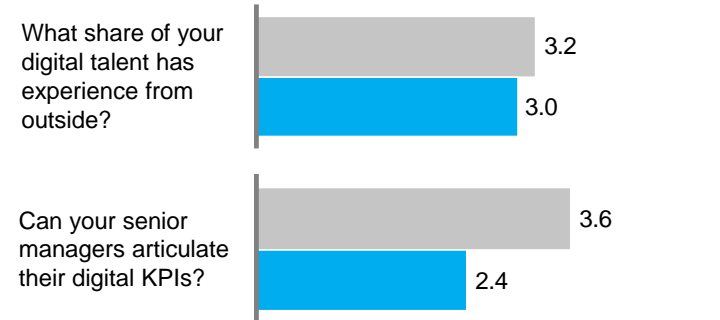
Rating on 5 point scale by 40 digital leaders across industry in Japan

■ Digital leaders ■ Japan PMP

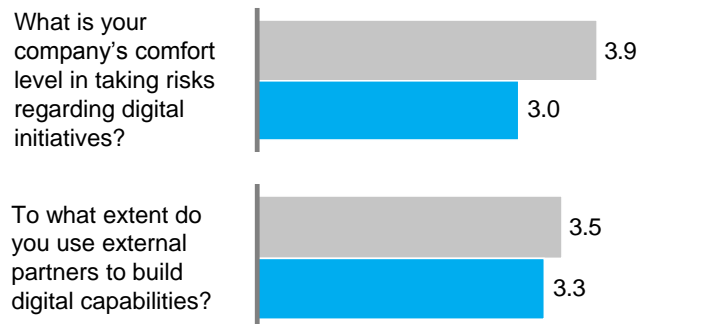
Strategy



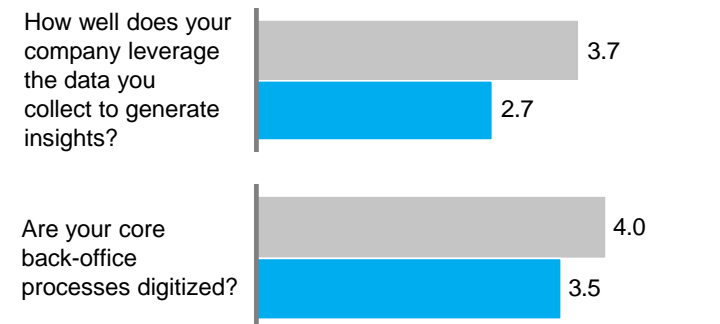
Organization



Culture



Capabilities



Results from Google McKinsey&Company

Digital round-table in Japan

Participants:





Digital has potential to change ways of working across whole Medical Affairs value chain

Medical strategy



- How advanced is my organization in digital Medical versus other Pharmacos?
- What are customer preferences and potential future disruptors?
- How to measure effectiveness of digital approaches?
- How to evolve engagement model over Lifecycle using digital?

Field Medical/ Engagement



- What are the most effective ways to engage Medical KOLs in the digital world?
- How to build optimal continuum of Medical engagement using mix of digital and physical interactions?
- How to bring our content to places where HCPs and patients normally search for content (e.g. search engine optimization)

Medical support



- Can we use digital to make compliance more efficient and simple?
- Can we digitize our support (e.g. Medical Information processes) to make them more efficient and user friendly?
- How to run Medical Communication campaigns in digital world (e.g. which channels, what is calendar)?

Data generation & HEOR



- How to leverage digital and analytics to collect more granular data and better insights about patient's?
- Can we use digital to source new ideas for data generation?
- Are digital tools a potential threat to our current approach while enabling payors and other stake-holders to have granular data about our patients? How to respond?



There are already numerous sources of data available in Japan

Treatment data

Medical claims data

Health checkup data

Wholesale sales data

Available now



医療統計情報プラットフォーム
Platform for Clinical Information Statistical Analysis



NDB open data by prefecture
(National database)



Pharma can use by 2020



May open-up going forward



DPC database



NDB
(National database)



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Coordination with other functions is critical in creating Medical impact

Typical company interaction with a KOL



What we often hear from KOLs

“I meet at least 4-5 different people from one company. But they don’t seem to talk to each other.”

“What I hear from one person is sometimes different from what I hear from another. It is quite confusing”

“Sometimes it takes weeks to get an answer to my questions. I don’t know why. By then I am wrestling with another problem”



Role as a true 3rd pillar will require close collaboration with other functions



- *Where can we find the largest opportunity for impact? What are customers expecting?*
- *Where can Medical take immediate leadership in these collaborations? And how?*
- *What are current barriers in realizing better collaboration with others? Internal policy? Cultural?*

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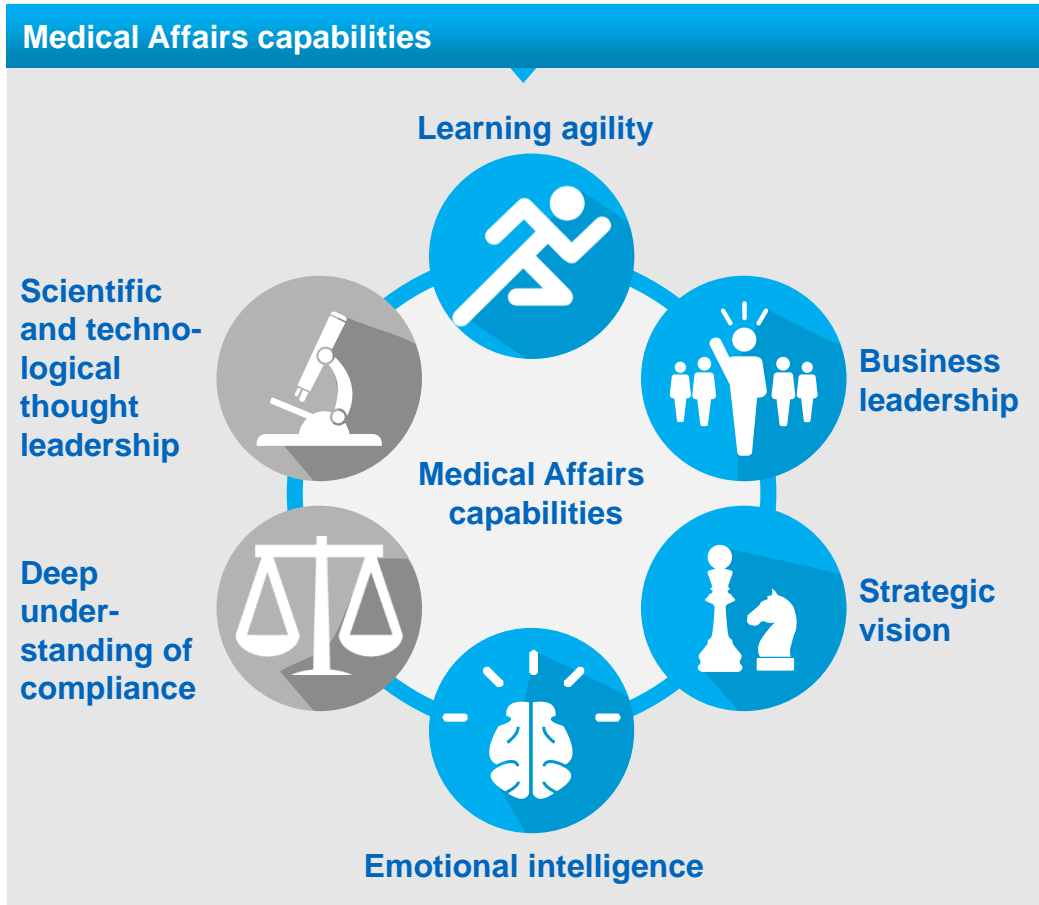


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A strength-based approach to Medical Affairs talent



A strength-based approach

- **Skills and competencies examined at level of the group**, e.g.,
 - Cultivate individual's strengths for the benefit of the group
 - Seek candidates that fill gaps in the group, not the “perfect” candidate
- **Comprehensive talent strategy** supports and builds skills and capabilities of group
- **“Field and Forum”** approach integrates learning modules and real work experiences (as reinforcement)

Medical *is* the “Third Pillar” of pharmaceutical business



Deeper understanding of the customers



Getting ahead in digital leadership



Integrated working model with internal partners



Develop and acquire talent