

White Paper

# Innovating a Pharma Commercial Model for the Future

*As pharma companies look ahead to the next decade of launches, it's time to think big picture about how you can engage with your customers*

**MATTHEW SMITH**, Senior Principal, Strategy Consulting, New Commercial Models & Digital Health, IQVIA

**INDRANEEL MUKHERJEE**, Senior Principal, Strategy Consulting, Brand & Commercial Strategy, IQVIA



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# Next year is 2025

There's no denying that this milestone year brings the pharmaceutical industry to an inflection point: leaders will look back on prior "Vision 2025" strategic plans, then ahead to the next decade of growth. It's a time to reflect on whether you accomplished your 2025 strategy and start to envision the next long-term horizon of strategic growth and investment. It's an opportunity to pause, consider which efforts at modernizing the commercial model have worked and what has remained the same, and chart your path for future evolution.

In the past, the commercial and healthcare provider (HCP) engagement model was primarily focused on one-to-one interactions between physicians and reps, with reps competing for share of voice and primarily focused on driving the clinical value proposition of the brand — even when HCPs' decisions are often driven by a multitude of other factors that are "beyond the drug," and that reps don't talk about.

Over the past five years, pharma has tried to solve for the broader needs of customers by introducing new customer-facing roles. Today, any pharma company trying to commercialize a brand has at least four different roles who walk into a physician's office. This varies depending on how complex the selling process is, with some oncology drugs having as many as eight to ten roles.

Currently, there are disconnected interactions between many new customer-facing roles for specific engagement needs and multiple decision makers on the patient care team. Engagement channels operate independently and in siloes, increasing the level of disconnect instead of achieving what the role proliferation was intended to do: meet broader customer needs beyond the brand.

Over the last five years, various healthcare trends have been growing, and are expected to influence the commercial engagement model going forward.

## TRENDS IN THE PROVIDER LANDSCAPE:

- **Consolidation and integration of healthcare organizations (HCOs) and payers**, turning individual physicians into employees rather than direct decision makers, as well as driving greater integration of services across the healthcare continuum for the larger, more organized providers. This has created a new pressure point for pharma to engage with accountable care organizations with a value proposition centered around patient outcomes.
- **Overarching capacity constraints across multiple healthcare systems post-COVID-19** are making it more challenging for patients to access relevant services. The number of visits to primary care providers has yet to catch up to pre-pandemic levels and patients are opting for alternative care sites such as retail pharmacies for convenience.
- **Shift in patient care priorities** to focus on two bookends: preventative and wellness care. The increase in provider capacity in hard-to-treat disease states is thereby driving companies away from mass market primary care and toward either highly specialized products or products focused on large-scale population health.

- **Declining rep access to HCPs post-pandemic** as HCPs are more selective about which companies and sales reps they engage with. Many companies are thinking about how to redesign their commercial models for the new normal, with direct pharma commercial involvement in solving for upstream patient journey challenges.

**TRENDS OBSERVED IN HOW PHARMA HAS REVISED ITS ENGAGEMENT MODELS:**

- **Increased digital engagement and an integrated omnichannel approach** where commercial approaches are moving away from exclusive face-to-face HCP engagement and toward more hybrid, virtual, and digital engagement (alongside in-person engagements) with the objective to create a harmonized customer experience.
- **More patient involvement in choosing where and how they receive healthcare services**, leading to consumer activation. The biggest pharma launches in recent years have been heavily consumer-focused (e.g., Ozempic, Mounjaro, and Nurtec), and we are now seeing direct-to-patient models such as *PfizerForAll* and *LillyDirect* as enterprise investments.
- **Changing data and analytics landscape** as generative artificial intelligence (GenAI) has made it possible for companies to find the “last mile” patient, increase access to timely care, and enable companies to commercialize their products more successfully — especially in rare diseases and hard-to-diagnose disease states. Increasing data protection regulations present a headwind in how companies manage and use patient data.

Starting in 2025, a lot more is going to change due to these healthcare trends.

The Inflation Reduction Act (IRA) is taking effect in pharma and will affect revenue. And GenAI is increasing the patient voice.

Commercial models will involve increased coordination and integration across channels, and a balanced sales and digital marketing approach. Value-based care will

increase at an accelerated pace. The amount of private equity investment in healthcare will be even higher than in prior years, even though some big names that received big investments have failed (e.g., Pear Therapeutics and VillageMD).

Looking to 2030 and beyond, the commercial model will take the shape of business ecosystem interactions across multiple stakeholders (pharma, HCP, payer, and tech) and seamlessly coordinate across engagement channels. This type of coordination will fundamentally alter the siloed approach to commercialization that pharma has taken. Going forward, pharma will engage stakeholders in a connected manner, taking advantage of the network effects of the ecosystem.

But now is a time when pharma companies can redefine what their future looks like for the next decade, not just the next launch; it’s a time to do big-picture thinking about your throughput of R&D spending, your gross-to-net accounting, and your commercial model so you can future-proof your organization.

Here’s what we at IQVIA believe are the core components in the evolution and future-proofing of commercial and customer engagement models in the pharma space.

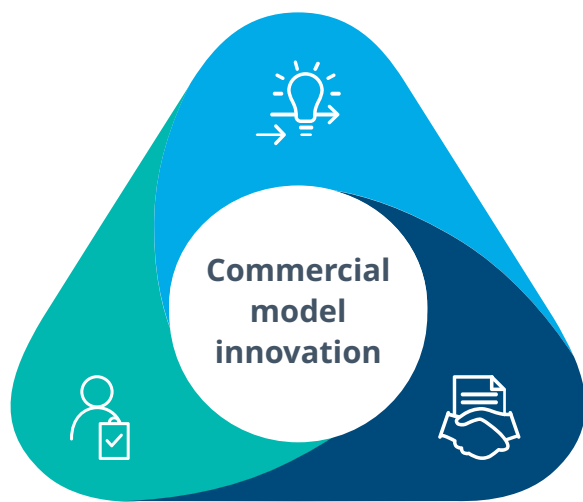




# Dimensions that matter in the future of your commercial model

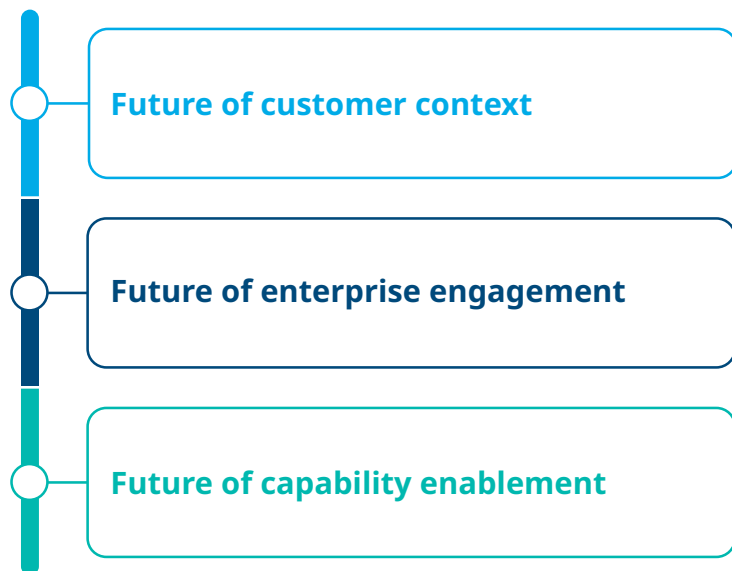
Any future pharma commercial model will need to address three core aspects:

- The future of customer context.
- The future of enterprise engagement.
- The future of capability enablement.



Leaders must look at the whole picture of the future of pharma engagement; you cannot expect that everything will fall into place if you perfect just one of these three dimensions.

The future of customer context and enterprise engagement is about defining your value proposition and approach.



## Future of customer context

In the future of customer context, you will need to reposition the brands in your portfolio to engage with customers in a more meaningful way. Think about therapeutic areas from the perspective of the competitive landscape and associated commercial models and answer the following questions:

- Who are we competing against (other drug companies but also other alternatives and stigmas (e.g., surgery, procrastination, or religious beliefs))?
- What commercial models are already in place from competitors in the disease space?
- What's working and not working?
- What are our customers' expectations in terms of product, service, price, delivery, etc.?

If you're going into a relatively undefined market, you get to define it. But if you're going into a crowded market (like diabetes or psoriasis), you need to think through what models already exist and how they translate to your customers: the patient, HCP, and HCOs. You can't depend on the product differentiation speaking for itself.

Instead of being hyper-focused on the product alone, consider the customer context: what decisions do they make, with what information, and how can pharma influence their context? For example, a company with both lung cancer assets and flu vaccinations can commercialize both assets together to make the case that immunocompromised patients with lung tumors need to avoid the flu so they don't further raise their risk. Today, oncology and vaccines are typically siloed in any pharma company, so they do not develop this integrated, customer-centric value proposition — but now is the time to change that.

## Future of enterprise engagement with sophisticated and integrated health systems and payers

In the future of enterprise engagement, pharma should not let go of the opportunity to bring the full strength of its portfolio in engaging with the sophisticated and integrated health systems and payers. In doing that, you will need to build value propositions that will resonate with different customers above the product or brand level, and, rather, think at the enterprise level. When you're doing strategic account management for larger, more sophisticated HCOs and payers, you need to bring in the enterprise-to-enterprise dynamic.



### Old way of engagement:

One rep meets with one HCP about one product.

### New way of engagement:

HCPs are recognized to be part of a larger HCO, so pharma companies think more about population health management and their entire portfolio of products. Engagement happens at the C-Suite level.

The thought process should shift from what you *are* known for to one that considers what you *want* to be known for.

Think beyond the product in terms of the other suite of services you can provide (e.g., data, insights, GenAI, or contractual, value-based engagement) and offer HCOs a true partnership that's more about providing solutions and thinking long-term.

Brand-by-brand engagement returns a fairly healthy bottom line, but compromises customer experience in the process. If you start operating across the brand level, you may have multiple brands competing in the same therapeutic area that cannibalize each other, leaving you with fewer, clearer offerings — ultimately, leaving

you with the ability to better cement your position in the mind of an HCP in that specialty. Each company will have to decide where their priorities lie and what compromises they can live with.

## Future of capability enablement

To engage customers according to this new model, you will need to evolve and enhance several commercial model organizational capabilities.

- 1. Local market insights and analytics:** Particularly within the U.S., customer dynamics are shifting away from individual physicians and toward organized providers, integrated services, and the increasing influence of regulations, local governments, and policy on healthcare provisions. Local markets now also include integrated healthcare players (like CVS's Cordavis and Optum's Nuvaila) that commercialize biosimilars, so companies need to look at the market in a more holistic and dynamic way. Companies will need to develop the ability to quickly and succinctly deliver insights to commercial teams so they can understand what's going on, who they're competing with, and what's influencing treatment decision making within local markets.
- 2. Strategic account management (SAM):** Rather than trying to relabel current reps as SAMs, think of a SAM as the capability to develop in the organization, with specific skillsets and tools. Nurture leaders so they know how to best support and engage account managers. This is connected to the enterprise engagement model.
- 3. Contracting and value-based pricing:** Companies need to advance their contracting capabilities and value-based pricing to resonate with larger HCOs and payers: moving away from the fee-for-service model and toward outcomes-based engagements. When customers contract with you on the holistic portfolio level, there will likely be a reduction in the total cost of care — which also eases pressures from the IRA.

- 4. Performance management and incentives:** If you're asking your teams to do different work that's more strategic and qualitative, and less about traditional selling, you can't keep incentivizing them against product goals. You must redesign metrics, key performance indicators, and business objectives to support more solution-based selling, customer satisfaction, and engagement behaviors.
- 5. Continuous learning and development:** You must think about the training programs that will allow you to build the other capabilities. Ensure your organization has invested in the necessary learning and development tools, platforms, and playbooks to support commercial team upskilling in the likes of SAM or contracting. This needs the appropriate dedication of resources and a clear strategic path to coordinate and align with customer engagement goals.

## What determines how far you can go in achieving your new commercial model design?

Pharma will not be able to achieve the future laid out above unless three non-negotiable things happen within the organization:

1. Bring leadership in on the long-term vision of achieving a bold plan, instead of optimizing the bottom line for the next quarterly results review.

2. Ensure your organizational culture is geared towards embracing change as a necessity for future sustainability.
3. Make appropriate investments in seeking external talent for newer roles and providing attractive career paths for them to thrive.

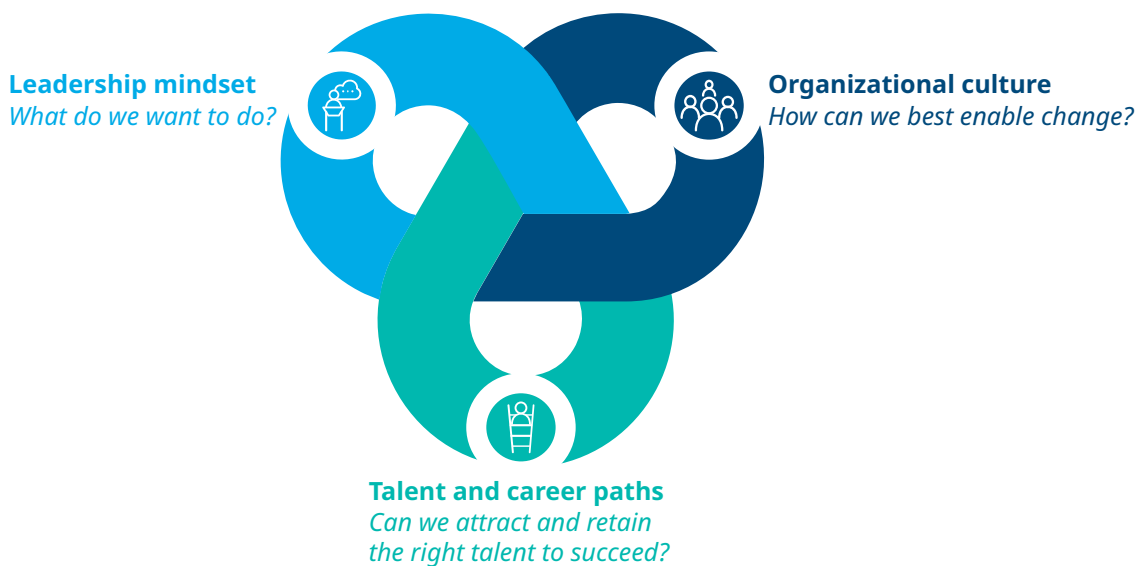
### Leadership mindset

When designing your new commercial model, what does organizational leadership want to do? Leadership will need to define the strategic direction, establish the risk appetite the organization has for commercial model change, and understand the economic implications.

Are you diving into completely disruptive commercial model transformation, or pursuing incremental evolution? Do you understand the boundaries at play? There isn't necessarily a right or wrong answer, but this will dictate the tradeoffs the organization is willing to make in terms of product, portfolio, and customer experience.

### Organizational culture

Leadership must also assess how receptive (or not) the organizational culture is to receiving change and how the organization best executes big initiatives: is the culture more top-down-driven or more consensus-based in decision making? It's important to make change in a way that the culture accepts and adopts the new model, rather than trying to force a path that will meet significant cultural resistance. Otherwise, you risk losing top-tier talent.



## Talent and career paths

This factor is often overlooked compared to the other two. It's one thing to know what you want to do, but you must also know where the talent pool exists that will help you succeed — both within and beyond the four walls of your organization. You must also understand whether you can realistically attract and retain this talent by offering attractive career paths.

Where are there gaps in necessary skills and capabilities among current organizational talent? Will you be able to attract the right people away from their current roles and organizations? If the best talent in digital health, for example, is more likely to seek out opportunities at a big tech or private equity-backed company, what will you have to offer them to come to your organization? Understanding these dynamics during the commercial model design stage can help inform what strategies you can realistically execute against.

## IQVIA can help you design a commercial model for the future

At IQVIA, we believe customer engagement models of the future need to be agile, precise, and insight-driven. This new wave of commercial models should be built upon foundations of comprehensive, connected data, with flexible and dynamic allocation of sales and marketing resources, that can drive personalized content and channel orchestration for physicians at an individual and local market level.

[Learn more about Agile Brand Promotion at IQVIA](#) and how we can help design and execute your customer engagement model.

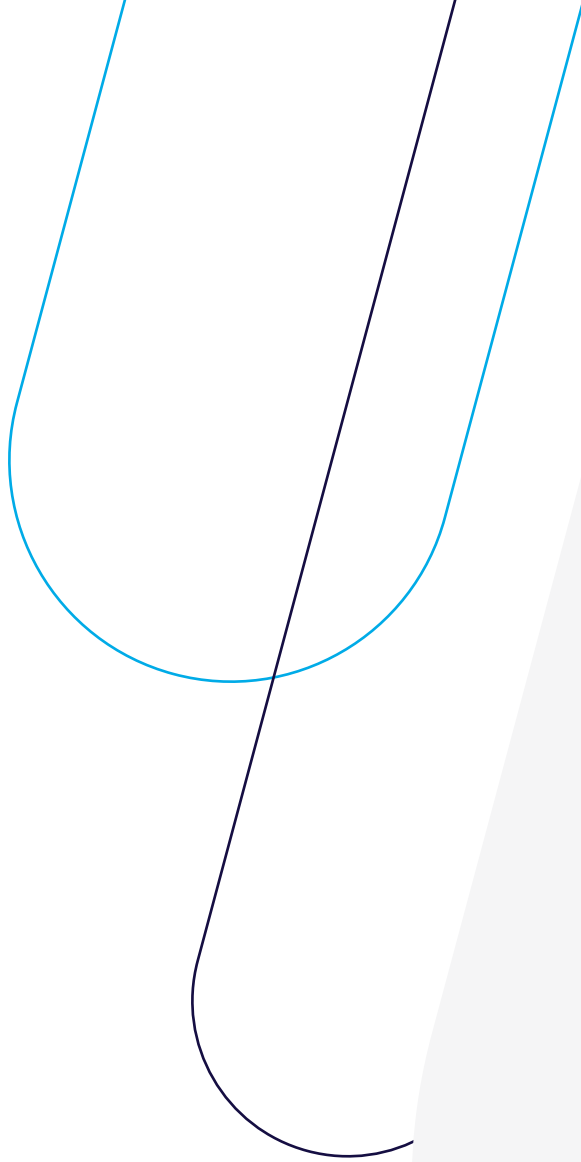


### About IQVIA Connected Intelligence™

Connected Intelligence brings together IQVIA's unique portfolio of capabilities to create intelligent connections across its unparalleled healthcare data, advanced analytics, innovative technologies, and healthcare expertise to speed the development and commercialization of innovative medicines that improve patients' lives.

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