CASE STUDY

Two Labs Marketing

THE CHALLENGE
Two Labs Marketing, a marketing and consulting company for the pharmaceutical industry needed accurate, in-depth competitive pricing information on entire therapeutic classes to provide its clients with the effective services upon which the firm’s reputation is built. It also requires historical pricing information to identify trends, as well as multiple pricing types to make the most accurate estimates regarding reimbursement levels.
The Solution

Two Labs Marketing utilizes ProspectoRx, a web-based application that provides immediate access to accurate, comprehensive drug pricing information. Because data is updated constantly throughout the day as soon as Elsevier receives new pricing communications from manufacturers, ProspectoRx is ideal for:

- Marketing research and strategy
- Competitive intelligence
- Product pricing trends
- Pricing drugs to market
- Drug price verification and reference
- Formulary development and management
- Purchasing/contracting decisions
- Pharmacoeconomics/outcome studies

ProspectoRx delivers pricing data via quick, advanced and specialized searching options. Users can search by product, ingredient, package identifier and/or company name to get specific or broad results, depending on the extent of their search criteria. ProspectoRx lets users view all generics for a brand name product, or all products within the same market classification, with a single click.

Unique to ProspectoRx is the Market Classification Search which groups products together in competing “market baskets” that are more applicable to how drugs are actually used — which means that manufacturers are better equipped to price like products competitively.

“It all boils down to the flexibility of ProspectoRx, which is excellent,” said Wartel. “The ability to save queries so you don’t have to keep recreating searches is a highly attractive feature, particularly because we are often in launch mode for nine months or more, and drug prices change every day. ProspectoRx keeps all that information current. It also allows you to create your own product groups. We can choose to include the items that are standard within the therapeutic class, but we can also customize searches to include other items that are not so standard.”

“We actually consider ProspectoRx to be a customized application because of the way we can manipulate our queries. You can do everything you need to do right in the application, and then export it if you want,” he added. “For us, that is great because we do our own pricing analysis that incorporates Generic MACs and AMP calculations. The flexibility enables us to show category data, and also put the information into a spreadsheet and manipulate it so it can be presented to the client in the format we want.”

ProspectoRx’s customizable features include user display preferences, as well as search parameters which allow filters to be applied such as by brand/generic status or price type, in order to pinpoint results.

“Tapping into the depths of pricing information is part of our day-to-day life, particularly when we are working on a product launch. The first thing we have to figure out is how we are going to price that product in the market, because that affects everything,” said Rich Wartel, Founder, Two Labs Marketing. “We also need to follow the competition, especially in terms of price increases. If drug prices increase too quickly or are out of scale with the competition, or if we don’t increase prices enough, the immediate impact on profit margins can be measured in millions of dollars.”
The Results

Stakeholders can also search current or historical prices, and specify date ranges to show unlimited price histories or price changes. Utilizing this capability to analyze competitive price increases, one client of Two Labs Marketing earned an extra 6 percent annualized by following the firm’s price forecasting recommendations.

“We were able to show pricing for our clients’ competitors, provide a pricing strategy based on where prices are now, and forecast where they will be next year,” said Wartel. “ProspectoRx lets us predict that increase and, as a result, we were able to recommend a pricing strategy that resulted in profits they would not otherwise have realized.”

Because ProspectoRx is a stand-alone, internet-based application, it requires no programming. It is highly secure, easily accommodates multiple users and operates via simple, intuitive interface that requires virtually no training.

“The database itself is very good, and the web-based environment was especially attractive to us,” said Wartel. “ProspectoRx also offers the fastest updates of any other database on the market, and their support is outstanding. When the rare event happens and we have an issue, they call back in minutes, not hours. That is important.”

ProspectoRx & Elsevier

PROSPECTORX’S flexibility, intuitive interface and continually up-to-date drug pricing information has allowed Two Labs Marketing to enhance its competitive analysis, price forecasting, product launch and positioning services in a way that has directly and positively impacted its clients’ profitability. That, in turn, has solidified the firm’s reputation for excellence in the pharmaceutical marketing and consulting industry.

“Our ultimate goal is to identify and deploy those solutions and tools that will bring success to our clients, their brands and products. To do that, we need access to the most current, comprehensive drug pricing information possible,” said Wartel. “ProspectoRx lets us accomplish that and more. It gives us an advantage to be an even more valuable resource for our clients.”

PROSPECTORX is a pricing solution that helps drive the business process and drug-related decisions. ProspectoRx aids formulary development and management, helps manufacturers price drugs to market, provides data for competitive intelligence and improves purchasing decisions and contract negotiations. With the price change indicator feature, ProspectoRx provides alerts for price changes, including information on the reason for the price change to help support the auditing process.

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Two Labs Marketing

ESTABLISHED IN 2003, Two Labs Marketing offers comprehensive consulting and marketing services to pharmaceutical companies, with a primary focus on new product launches, as well as building and maintaining market share.

“Our goal is to get our clients’ products onto pharmacy shelves quickly and assure prescription pull through to the patient,” said Wartel. “That requires us to understand the competitive make-up of the various therapeutic classes.

We also need the ability to analyze and guide our clients’ responses to the constant pricing and reimbursement changes within the market that can impact pharmacy profitability and, as a result, the market position of the products we represent.”

The two “labs” for which the firm is named represent the dual services it provides. The first lab is consulting and relationship development, wherein the firm develops effective solutions in:

- PRODUCT LAUNCHES – Through a comprehensive process that encompasses all key prescription influencers, Two Labs manages launch programs that include pricing determination, budgeting and forecasting, analysis of distribution capabilities, and development of best practices, launch materials, communications plans and timelines.

- TRADE GROUP DEVELOPMENT AND MARKETING – The firm develops and deploys trade strategy and marketing tactics to create brand identity, and to establish and strengthen key trade relationships for product management purposes. It also offers a range of tools to build and enhance pharmacy awareness and support.

- LIFECYCLE MANAGEMENT – Two Labs Marketing provides strategic tactics and partnerships for the complete pharmaceutical product lifecycle to help clients overcome the challenges facing branded manufacturers, including patent expirations, aggressive growth of generics and uncertainty of FDA approvals.

The second lab is marketing strategies and services, categorized by:

- PHYSICIAN ACCESS/AWARENESS – Two Labs Marketing gets product information in front of prescribing physicians through proven techniques. The firm also supplies sales representatives with robust data and tools to identify physicians by prescribing habits, formulary adherence, managed care/Medicare plan participation and other criteria, enabling tactical communication of brand messages and product offerings.

- PATIENT COMPLIANCE AND LOYALTY – The firm offers promotional and educational vehicles to enhance patient compliance and loyalty.

- PHYSICIAN TRIAL/PATIENT INCENTIVES – Two Labs Marketing develops custom solutions to influence physician trials and incent patients.

“Much of what we do is provide our clients with access to more diverse resources, data and relationships than they have on their own,” said Wartel. “That’s why consultants are hired: we have to show that we have a greater breadth than what they have themselves.”

Two Labs Marketing keeps clients in prime position with real-time pricing reference and analysis with ProspectoRx.