POINT OF VIEW

Biosimilar DTC Outlook—Is 2020 the Year of Opportunity?

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Five years after the approval of Zarxio, the first biosimilar marketed in the US, patients and payers are left wondering, "Where are all the savings?"

Despite the fanfare and promise of significant price reductions, these biologic copycats haven't quite delivered. Legal feuds are a primary cause. Pfizer and Johnson & Johnson, for example, are engaged in a high-profile lawsuit that may determine the future of the blockbuster Remicade. While Pfizer wants increased access to its biosimilar Inflectra, which produced sales under $200 million in 2018, Remicade's sales approached $3 billion despite losing patent exclusivity. The Federal Trade Commission has since stepped in, raising the stakes for both manufacturers.

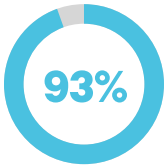
Meanwhile, customers remain skeptical and are often confused about the value and safety of biosimilars. Because "similar" by definition is not "exactly the same," physicians and patient groups have rallied to retain insurance coverage for reference drugs. According to a survey published in Current Medical Research and Opinion, **fewer than 2 in 10 patients would make a "non-medical" switch to a biosimilar**.

A Changing Landscape

In 2020, the stage may finally be set for change, thanks to 3 accelerating trends:

- **Economics:** Between 2013 and 2017, almost all the net growth in US drug spending—some 93%—was for biologics, according to the IQVIA Institute. Payers say this jump is unsustainable, and plan sponsors are addressing it by shifting more costs to patients.
- **The human costs:** As a result, patients with diseases treated with biologics are more likely to face personal financial loss. Studies suggest up to 80% of cancer survivors have used savings to finance their medical expenses; they are also 2.7 times as likely to declare bankruptcy than people without cancer.
- **Political currents:** The new US-Mexico-Canada trade agreement, freshly approved by the Senate, no longer contains specific patent protections for biologics. This follows the Trump administration's 2018 blueprint to lower drug prices, which calls out "innovation and competition for biologics."

On cue, we have increasingly noticed biosimilar franchises advertising to patients, hoping to win hearts and wallets with the promise of more affordable treatments. A closer look at their varying approaches to patient marketing reveals the trends that could impact these franchises—and the reference drugs they aim to copy—in the year ahead.



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Biosimilar Marketing Trends to Watch

+ DIGITAL-FIRST APPROACHES

The combination of a niche audience and a complex story makes digital an ideal channel for marketing biosimilars to patients. Several biosimilar franchises have deployed patient websites and paid search advertising, similar to their branded competitors. Few have ventured beyond these digital basics, which will be necessary to capture patient attention and break through barriers to adoption. Look for more immersive digital activity (ie, social media targeting, rich media experiences, acquisition campaigns) from biosimilar brands in 2020.

+ UNBRANDED PATIENT EDUCATION

The biggest barrier for biosimilar patients is low awareness—a welcome challenge for manufacturers who have deployed unbranded patient efforts to increase awareness for rare diseases, the value of diagnostics, and the importance of vaccines. The Biosimilars Council, part of the generic manufacturing lobby, launched a Biosimilars Handbook with educational resources for patients and other stakeholders. The Food and Drug Administration weighed in last fall with its own Biosimilar Basics infographic. An industry-wide awareness campaign may not be far behind.

+ AN UPTICK IN DEFENSIVE MESSAGING

If biosimilar franchises increase their patient marketing efforts, then we'd also expect to see more biologics defending their turf. Case in point: one biologic manufacturer is currently running digital ads with the headline, "Being Asked to Switch?" Clicking on the ad leads the user to a Doctor Discussion Guide to help patients talk about staying on the reference drug. Expect to see more proactive messaging from biologic marketers in 2020—unless, of course—the FTC pushes back.

+ A SHIFT IN STRATEGY

It is a human instinct to not change horses in midstream. With biologic manufacturers playing defense and patients being wary of switching, biosimilar franchises may find that the better strategy is to target patients who are naive to the reference biologic. Eliminate the switch conversation and focus on a product that delivers equivalent efficacy and reduced costs from the start.

Evoke will continue to track the biosimilar market for our clients and business partners in 2020. With momentum in Washington and increased advocacy from patients and payers, this could be the year of opportunity biosimilar manufacturers have been waiting for.

The Evoke Franchise Marketing Center of Excellence helps pharmaceutical marketers effectively launch and grow successful franchises. Our cross-disciplinary experience includes category branding, customer experience strategy for multiple-indication treatments, and FDC launches. To request case studies or more information, contact business@evokegroup.com.

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