

Drug Price Erosion: Safeguarding Pharmaceutical Assets Against Value Attrition



Pharma companies have complex and focused strategies for setting optimal launch prices for their new drugs in order to optimise return on investment in a challenging marketplace, as well as protecting the value of its asset once it is on the market.

Anticipating how long that price can be sustained in the market is often an unpredictable, complex challenge. Pricing and reimbursement mechanisms, the entry of generic drugs, and implementation of austerity measures erode prices and, ultimately, corporate revenues.

[A study from IHS Healthcare & Pharma](#)

Drug Price Erosion: Safeguarding Pharmaceutical Assets Against Value Attrition analyzes and compares price structures across countries and therapeutic classes over time, with the goal of determining drug price structure (i.e., minimum and maximum price, as well as percentage of medicines priced by percentile). This multi-client study, based on the unparalleled breadth and depth of our pharmaceutical pricing data and supplemented by extensive secondary research, will help you set pricing strategies that anticipate price erosion to optimize profits over the lifecycle of your drug.

[Answering your key questions](#)

- How fast do prices erode within and across countries and therapeutic classes?
- How fast do prices erode within and across drug classes (e.g., biosimilars, orphan drugs, biologics, etc.)?
- What are the drivers and influencers of price erosion?
- How do P&R mechanisms and indication extension impact price erosion?
- What is the impact of the global economic downturn on price erosion?
- What are the implications of price erosion on launch price?

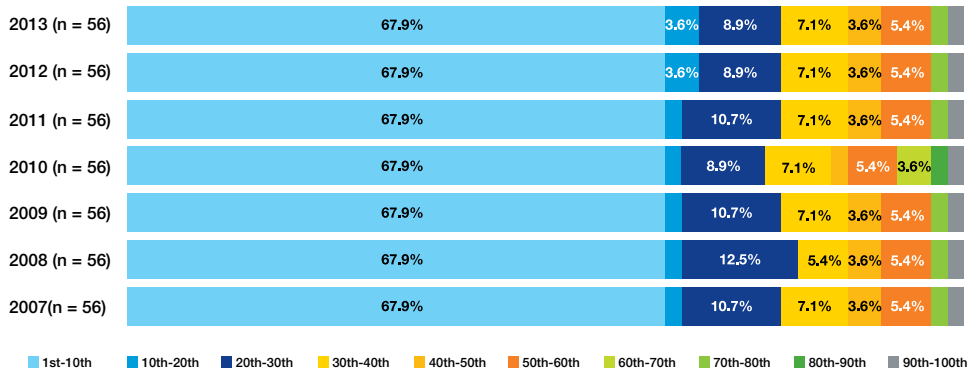
Deliverables

- Report available online via our MyInsight platform and in PDF
- Microsoft PowerPoint
- Available as a stand-alone study or combined with our **International Reference Pricing: A Strategic Guidebook to the New Global Pharmaceutical Pricing Paradigm** Multi-client study and analytical package
- Speak to us about our multi-client study series options, including studies, presentations, and workshop packages

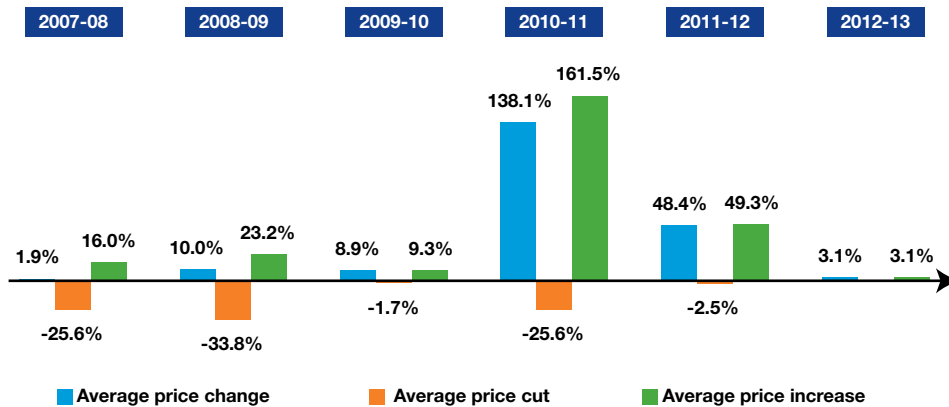


The following chart illustrates an example of the price structure at nominal prices for an Anatomical Therapeutic Chemical (ATC) class in one country. The study will include charts like this detailing price structure by ATC class and countries.

Price Structure



Price Evolution



Nominal prices (USD)

	Min price per unit	Max price per unit	Aver price per unit
2007	0.1	279.0	38.5
2008	0.03	295.7	41.6
2009	0.03	327.5	44.3
2010	0.03	316.5	48.0
2011	0.1	374.0	53.3
2012	0.2	420.2	58.3
2013	0.2	462.0	62.2

Meet our experts

Gustav Ando leads the Healthcare & Pharma practice at IHS. Formerly a healthcare analyst, he has extensive experience in the fields of market access, therapeutic development, drug safety, emerging markets, and health outcomes. Previously, Gustav worked with pre-merger Pharmacia Corporation in New Jersey and Pharmacia AB in Stockholm. He is a graduate of politics from the University of Durham and has a Masters degree in international studies from the University of Uppsala, Sweden, specializing in healthcare politics.

Gaëlle Marinoni manages the multi-client study offering in the IHS Healthcare & Pharma practice. Previously, she was a consultant for Brandtectonics Access as a market-access and clinical trial recruitment enhancement specialist. Prior to this, Marinoni worked at IHS as a European research analyst and at the National Institute for Medical Research as a research scientist. Marinoni holds a Doctorate in microbiology from the University of Western Ontario (Canada), a joint Masters of Science in microbiology from the Pasteur Institute and the University of Paris VII, and a Masters in genetics from the University of Paris VII.

Cameron Lockwood is an analyst within the healthcare multi-client study team. He has a background in the life sciences and holds a Bachelor of Science in molecular biology from the University of Manchester. He previously worked as a consultant in the market-access field for Brandtectonics Access, and gained experience in business intelligence with Informa Healthcare.

Our experts and our supporting team are available to answer your questions about the study and its findings.

IHS Healthcare & Pharmaceutical Service

The IHS Healthcare & Pharma practice provides a portfolio of intelligence solutions to optimize the performance of companies and organizations across the pharmaceutical, biotech, and generics sectors. Our key focus is to provide actionable insights to support strategic decision making, particularly in the fields of market access, pricing and reimbursement (P&R), emerging markets, generics strategies, therapeutic development pathways, forecasting and market sizing, and general competitive intelligence.

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