



Emerging markets – Willingness to pay

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The business challenge.

The client, a well-known pharmaceutical company, wanted to identify the optimum selling price for their innovative dermatology treatment in the emerging markets, based on patients willingness to pay, access restrictions and reimbursement criteria from payers/ insurers.

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Our approach.

After full evaluation of applicable product profiles, patients and payers were asked to evaluate the new offering. Patients were further asked their likelihood to purchase using proven price sensitivity techniques such as Gabor granger and Van Westendorp. By using these techniques we were able to create uptake and revenue curves based on the most optimistic, most likely and pessimistic scenarios based on patient willingness to pay and access/ reimbursement restrictions.



Methodology

- Appropriate patients were screened and asked to conduct online interviews (via internet café in some markets)
- Teledepths were utilised to interview payers and insurers across representative geographies.



Techniques

- Standardisation of costs to ensure clear interpretation across different formulations & regions
- Gabor granger
- Perceived Value Pricing (PVP)
- Van Westendorp

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The outcome.

Our findings helped our client select the most appropriate price point for their product in each market. Further to this we incorporated anticipated uptake figures and secondary data sources to design a predictive forecast model used for long range planning decision making which was to be used at both the local and global level. The client followed our recommendations on price and achieved a more successful launch and has subsequently returned for post launch follow-up segmentation, messaging and tracking studies.