

# Market Assessment for Medical Diagnostic Products

Defining the Project and Plan

# Typical Setting of the Stage for New Diagnostics

- Situation
  - Company has new technology with particular feature(s)
    - Feature 1
    - Feature 2
    - Feature 3
  - Based on earlier analysis, perhaps company decided to pursue other market(s) (why?)
    - Market 1
    - Market 2
    - Market 3
  - Leading to first product(s)
    - Product 1
    - Product 2
    - Product 3
- Problem identification
  - What is the new question to be answered?
  - What is the scope
  - What is the deadline
- Answering will
  - Allow development to plan and staff appropriately (longer term product pipeline)
  - Tee up execution plans for commercial operations
  - Drive design of clinical trials and pre-IDE meetings with FDA
  - Help size mfg, inventory and component supply, pricing etc.
- Payoff
  - Forecasted financial statements
    - Sell investors on revenue and profit
    - Get financing to fuel milestones
  - Execution plans

# Framing the Project

- What is the question to be answered?
- What is the scope?
- What is the process to be followed?
- What are the roles of various organizations | people?
- What are the deliverables?

# What is the Question to be Answered?

- ☐ Is there a market for currently planned product(s)?
- ☐ Are there customers other than originally intended for currently planned products?
- ☐ What other products can be sold with the sales or commercial structure to be built for the current plan?
- ☐ What is the next market and product?

# Scope?

- Testing site
  - ☐ Reference labs
  - ☐ Physician office labs
  - ☐ Hospital labs
- Menu - Analytes
  - ☐ Analyte 1
  - ☐ Analyte 2
  - ☐ Analyte 3
- Menu - Regional
  - ☐ US
  - ☐ Europe
  - ☐ ROW
- Medical specialties
  - ☐ Internal medicine
  - ☐ Family / general practice
  - ☐ Cardiology
  - ☐ Oncology
  - ☐ Endocrinology
  - ☐ Emergency medicine
  - ☐ Infectious disease
  - ☐ Pediatrics
  - ☐ Rheumatology
  - ☐ Allergy
  - ☐ Gastroenterology
  - ☐ Sub-specialties

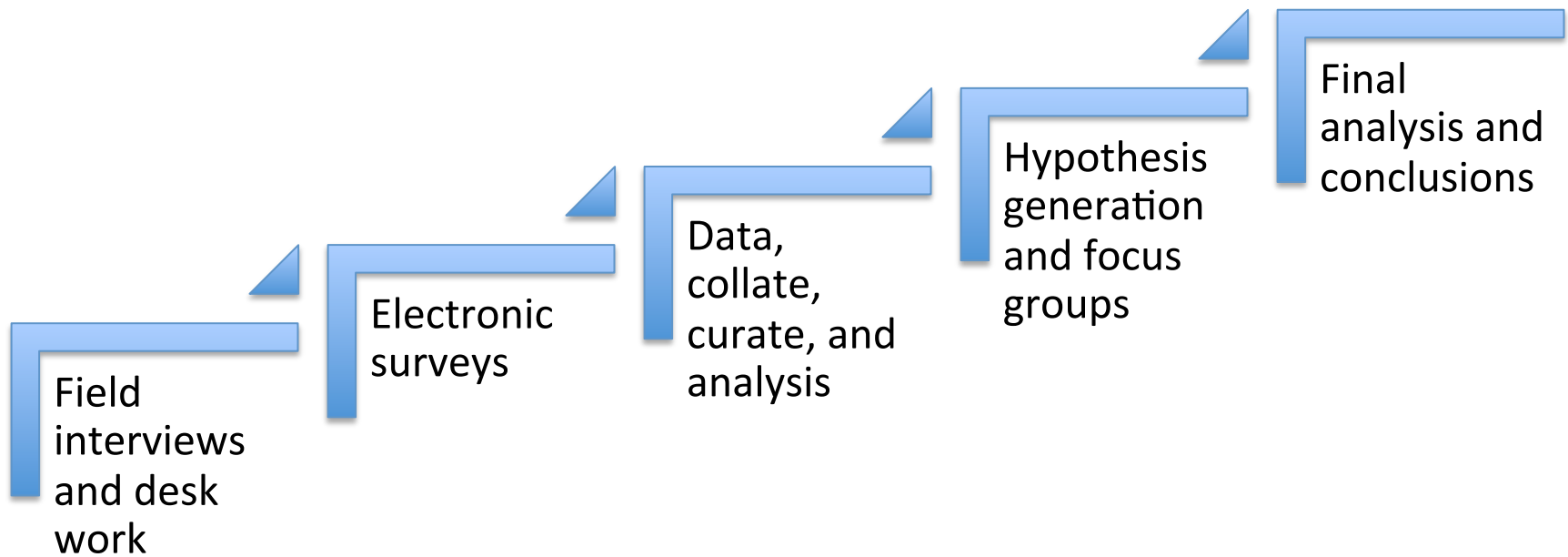
# Questions to Define Scope

- What is the current unique selling (value), proposition current product(s)?
- Is the project intended to assess new customers for currently planned products only?
- Is the project intended to assess new customers for a currently planned sales | commercial structure?

Diagnostic Market Assessment

# PROCESS

# General Process

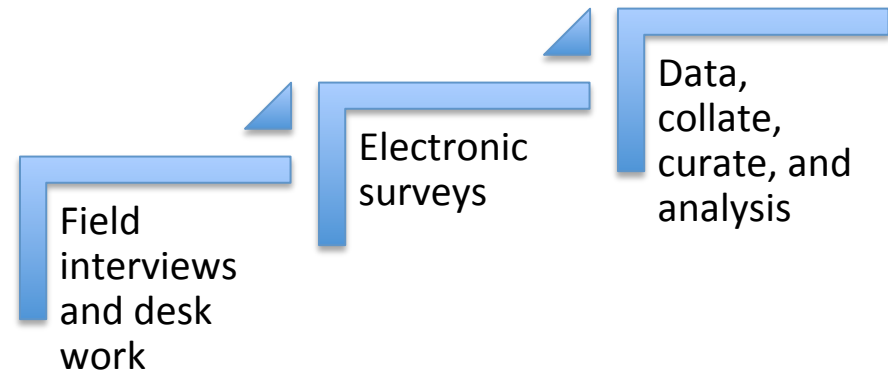




# First Phase Proposal

## Features

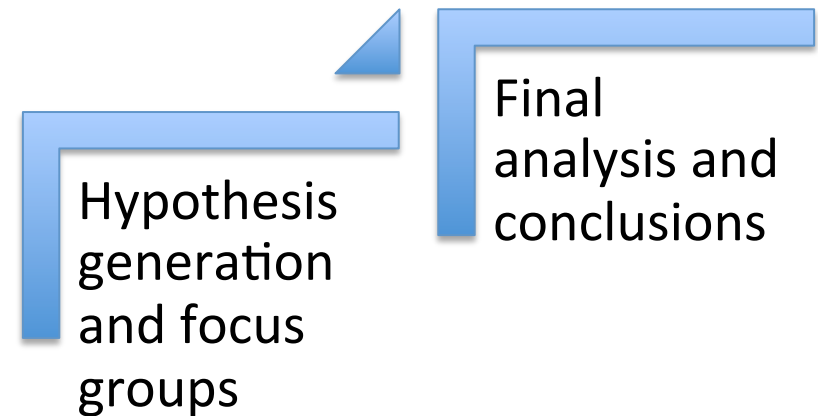
- Specialty | Completed surveys
  - 100 Surveys per market segment
    - More if subgroup analysis needed
- Cost and time
  - 2 months (half time)
  - Honoraria



# Second Phase Proposal

## Features

- Focus groups conducted | MDs
  - 3 for each market segmen |
  - 24-36 participants TOTAL
- Final report
  - Insights into customers & competitors
  - Product concepts
  - High-level financials
- Cost and time
  - 1 months (half time)
  - Honoraria



# Costs can be Levered

## Surveys

- Variable cost
  - Email lists
  - Honoraria
- Semi-variable
  - Conducting
  - Processing (data)
- Fixed costs
  - Setting up
  - Analyzing (information)

## Focus groups

- Variable cost
  - Recruitment
  - Honoraria
- Semi-variable
  - Conducting
- Fixed costs
  - Setting up
  - T&E
  - Analyzing (information)

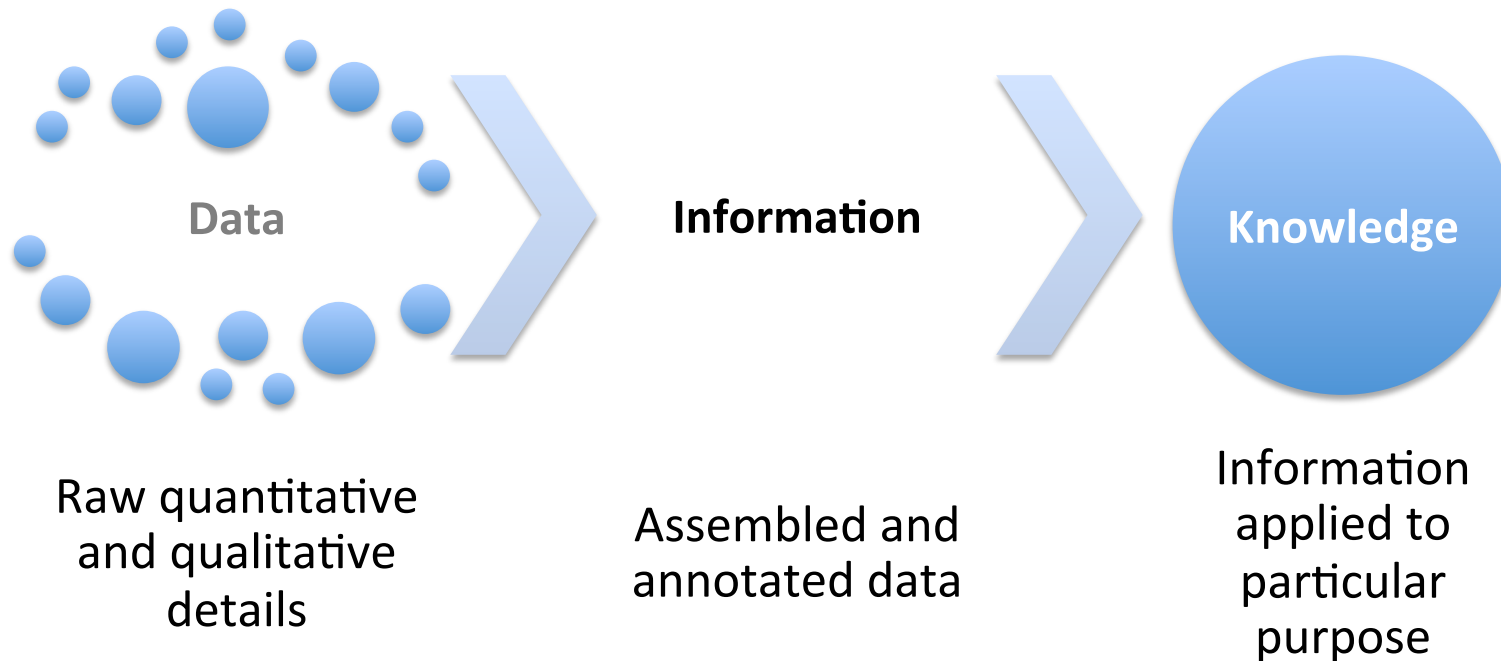
# Desk Work

- Competitor websites and presentations
- Government stats (CDC, NCHS, GAO, AHRQ)
- Clinical studies, abstracts, posters
- Internal sales analysis if relevant
- IMS and other sales databases
- Third party (omnibus) reports

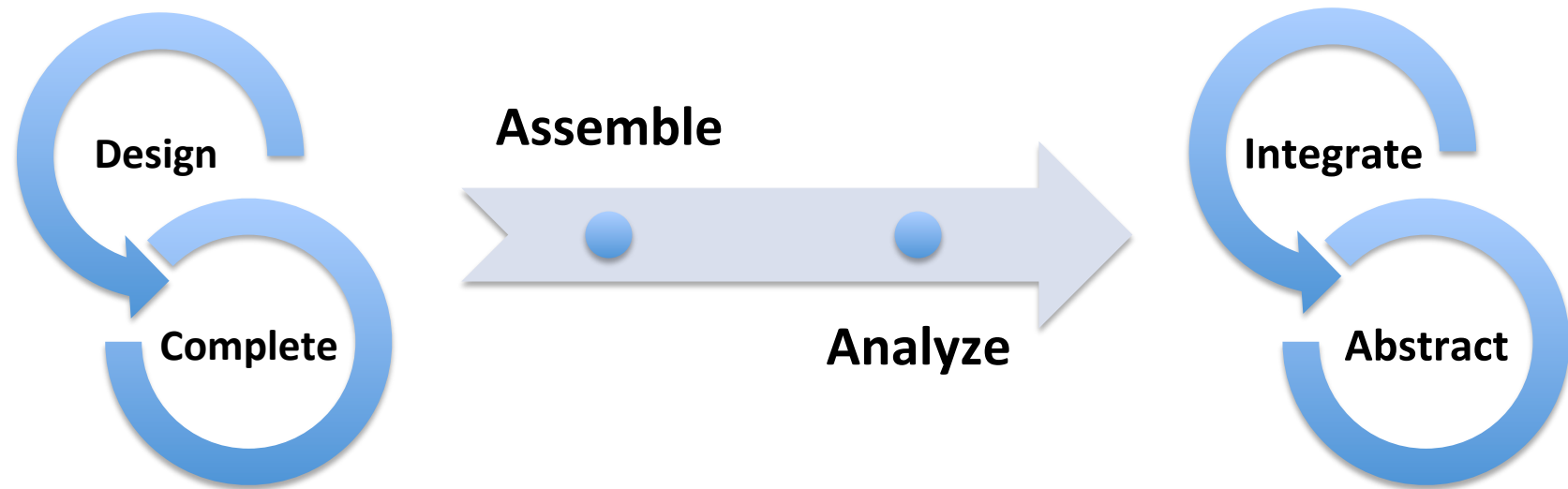
Diagnostic Market Assessment

# **TURING DATA INTO KNOWLEDGE**

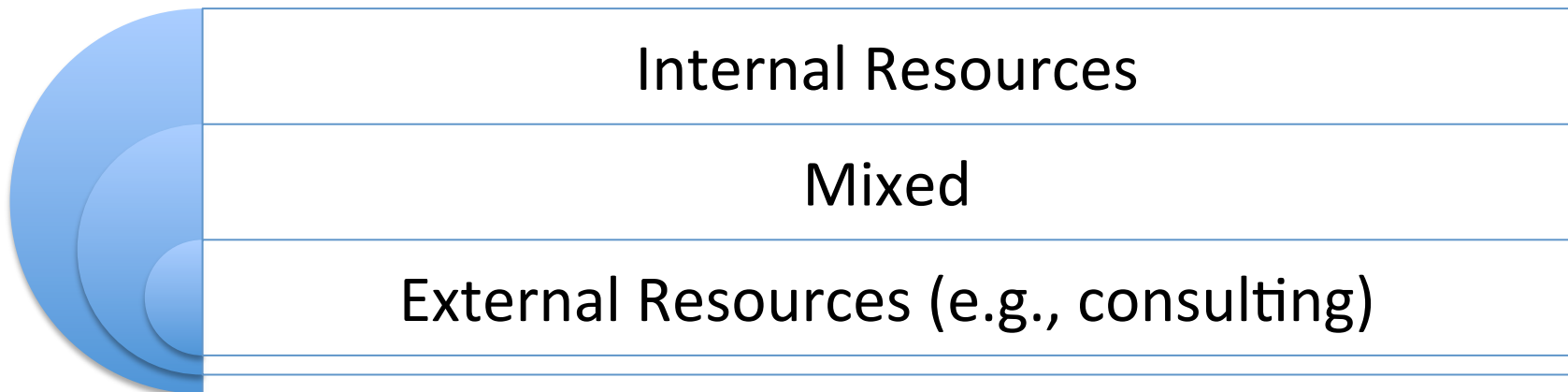
# Aspects of Transformation of Market Research into Product Market Concept



# Aspects Leading to the Product Market Concept have Setup and Execution



# Setup and Execution in the Entire Process can be Divided







# Data deliverables

## Surveys

- Quantitative survey responses
- Qualitative verbatim
- List of and email addresses for survey participants willing for follow up

## Focus groups

- Brief surveys
- Videos
- Optional attendees and their notes

# Information Deliverables

## **Surveys**

- Summary of results
- Quantitative survey database
- Qualitative notebook

## **Focus groups**

- Summary of results
- Database from surveys
- Audience impressions (attendees plus video viewers)

# Knowledge Deliverables

- Patterns in the quantitative and qualitative data
  - Not just product concepts
  - Can included relationships to Rx and reimbursement
  - Competitive picture
- Possible (proposed?) product concept hypotheses
  - Target markets, menu, and product configuration
  - First-pass economics and forecasts
- Gaps to be filled (and process if need be) or concepts to be further tested

- LinkedIn
  - <http://www.linkedin.com/in/wintongibbons/>
- Twitter
  - @wingibbons
- Blog
  - <http://www.wingibbons.wordpress.com>