

Obama provided bicorn case study

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Obama, should it launch the drug immediately or conduct phase 3 trials before launch? Elaborate the various elements of your action plan. Even if the Drug Controller General of India (DIG) grants permission for Obama in fall 2006, Bicorn should still conduct phase 3 trials before launching.

Both Bicorn and Clinger are new to the industry and strong reputations have yet to be developed. Therefore, Bicorn must means make sure Obama is a proven quality drug before it's released.

Bicorn should enter the cancer pharmaceutical sector as non as possible to begin building a name for itself in the cancer industry by selling other generic cancer drugs first. R; D costs may be significant, but not as much as creating drugs from scratch. This would generate revenue and start getting scion's name familiar in the market.

Also, by waiting to launch, Bicorn would be positioned to defend Obama better if and when Rarebit uses the lack of Bison's experience against them.

By waiting to launch, Obama might not be the first new drug in the head and neck cancer market, however, Bicorn will still be the first Indian many to produce a proprietary drug since Arbiter is an existing drug with a new 2. How big is the current and future market opportunity in Obama? Ere market in India consists of both public and private sectors, 20% public sector and private. India comprises up 21% of the worlds' cases of head and neck cancer and 27% of the deaths from head and neck cancer. 5% of head and neck cancer patients are due to excessive use of tobacco and alcohol and India has a high population use of tobacco and alcohol.

Evenly Raw, senior manager of business strategy, expects that 95% of the patients using Obama would be self-paying. The cost of the drug is a main determinant on the possible market for the drug as most citizens of India are likely unable to afford expensive health care, however the potential is great as the economy is growing in India by about 9% annually, in addition too population growth of 1. %. The market for Obama in India is tremendous based on a number of variables. Educating the customers, targeting government and insurance companies, and the price of Obama will all develop the market for the drug and ultimately determine how many customers Bicorn is able to secure. Raw expected that doctors are more willing to use Obama with radio or homoeopathy during advanced stages of cancer and estimates that 20, 000 of the 190, 000 patients fall into this category.

The future of Obama is very strong as phase 2 trials showed 100% success rate when used with radiotherapy and chemotherapy. Ere market for head and neck patients is approximately 190, 000 customers at 6 doses per customer. Given the 7. 6 million deaths in 2005 from cancer and expected n to 9 million in 201 5, tolling with 4 million in 2030, mathematically the growth in cancer market is about 18% from 2005-2015 and 26% from 2015-2030. Mamba can expect this same market growth in terms of percentage growth and reaps more given off-label usage of this drug.

. Who is the buyer for Obama? What is the decision-making unit in this case? What are the benefits that each member of the decision-making unit seeks from Obama? Ere buyers for Obama are Indian patients who will utilize the drug to treat head and neck cancer and possibly patients with other

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indications for off-label usage. However, icon will not be marketing directly to patients and will have to utilize a sales team approach to reach out and educate oncologists in order for Obama to ultimately reach the patients.

To better market to patients and help ease the anxiety of having a life-threatening disease, Bicorn will provide support by having a sales rep spend a few hours explaining the product and its usage, information on their website, consumer helpline, sales force, and direct consumer advertising. The decision-making unit will focus on educating the leading oncologists in India (less 100 total) on Mamba.

Patients trust the advice from their oncologist and when the superiority of Mamba over different drugs is evident, the choice to use Obama is an easy one.

The government-sponsored public sector will also be a decision making unit provided they cover reimbursements for cancer medications. The benefits to the patient will be the successful treatment of their cancer. The benefit for the oncologist will be to help their patients get well and to allow them to see more patients as valuable time spent educating each patient on the drug use and strategy will be handled by icon.

The benefit for the government sponsored public sector is a potential long term savings as Obama boasts lower amount of side effects and a predictable and finite treatment protocol that will eliminate the need for continuous cancer treatment Ninth ongoing prescriptions like Arbirer.

. Develop a detailed launch plan for Obama. Provide your rationale for the product portfolio, pricing, channel, and communication decisions. The launch plan for Obama is to conduct phase 3 testing first to ensure product safety and effectiveness.

Waiting for phase 3 completion will prove to the industry that Bicorn is not a “fly by night” company and provides excellent products with the people of India’s best interest in mind.

Also, during the time it takes for Bicorn to complete phase 3 trials, they can utilize R; D departments to develop other generic cancer drugs to compliment Obama. Once the phase 3 testing has been completed, the cancer drug portfolio, including Obama will be released directly to the consumer with a full marketing force promoting the products to leading oncologists in India.

Providing a portfolio of products to market in India is necessary to bolster awareness of Bicorn’s entry into the cancer drug market and to create multiple reasons for Bicorn to reach out to leading oncologists on multiple occasions. Marketing the product to the leading oncologists is the main priority as patients rarely question the specialist prescribing medications. Win over the specialists and the patients will purchase the drugs provided the price point makes sense. R&D costs will be significant thus the cost structure for the drug must be priced at a point “ here Bicorn can recover those and create profits for the company.

Obama does not want to offer a pricing structure that is too low and thus creating a scenario Inherent doctors and consumers believe the product

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itself is not of value. Given that the cost of goods (25%), R&D (15%), and marketing costs (25-30%) comprise approximately 70% of the cost to get the product sold, 30% of revenues are left for profits. To recoup the cost of the investment, Bicorn will need to sell approximately \$83.5 million worth of product at 30% margins.

Given the aforementioned data, if icon is able to capture 1,900 patients per year at 6 doses of Obama per patient, then Obama will need to be priced at least at \$7,325 to recover its initial investment Nothing the first year. Pricing one dose of Obama at \$4,500 will allow Bicorn to recover the \$25 million for the manufacturing plant within 2 years and allows the product to be priced competitively against Arbiter.

Once the demand for this product is demonstrated, the next objective is getting the product into the hands of the consumer. Channels of distribution must take into account that the product must be refrigerated at all times.

Pharmacies typically do not have the ability to refrigerate their drugs thus, Obama will be couriered overnight to the oncologist. Selling directly reduces costs and has a significant economic benefit to the patient. The slight drawback is that the product would not be readily available and the doctor's office would have to plan at least a day in advance to ensure that Obama was on hand the day of the patients' appointment.

Obama Nil be sold directly to the patients which means the oncologist will reap the convenience of not having to stock the drug and the patient will get a lower price.

Detailing is the means of by which the benefits of Obama will be communicated to oncologists. Traditional detailing will not be sufficient as this drug treats a life- threatening disease. Bask explains, “ We could provide information, help, and support to our patients through our web site, consumer helpline, our sales force, and direct to consumer advertising” (peg. 11).

The assistance to doctors is crucial for his product as patients facing this disease will undoubtedly experience times of high anxiety and the ability to calm them down through the explanation of Obama will provide great value to the doctors and patients.

Sales reps can spend up to two to three hours with patients explaining the produce and its usage saving valuable time for the doctors. 5. How has Bison’s strategy and positioning evolved over the years? What role does Mamba play in Bison’s overall strategy? Initially, Bicorn started out as a mere producer of enzymes for the European and US food processing industry but CEO Dry. Encumber-Shaw had grand designs to make Bicorn an international player in the global pharmaceutical market all along.

To meet this lofty goal, Bicorn had to take calculated risks in evolving from enzyme production to stating to insulin until the ultimate goal of entering into the proprietary drug arena.

The strategy was always long term in thinking and never did Dry. Encumber-Shaw move too quickly into a new level of complexity or risk the company’s overall health Bicorn, tress Otto hugely cutlets I POP in March 2 Nas perfectly positioned to step into the final level of evolution in becoming a fully

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Integrated biotech company: creation of proprietary drugs. The cancer drug Obama IS the key to successfully entering into this market.

Bicorn licensed the cancer drug from the Cuban company CAIMAN to develop and market the molecule on the Indian subcontinent. Obama was a perfect entry product for Bicorn for several reasons. First, it allowed Bicorn to learn about mammalian technology, arguably the future of the biotech industry.

Second, it gave Bicorn an opportunity to develop essential skills for ensuring the long-term success of the company, namely new research and marketing capabilities. Third, Obama afforded Bicorn the positive brand consisting of being the first Indian company to launch a proprietary drug in India.

Lastly, and most importantly, Obama provided Bicorn with the opportunity to enter into the proprietary drug arena with an immediate win. Simply put, Obama worked. Ultimately, Obama gives Bicorn the ability to realize Dry. Encumber-Shaw goal of becoming a globally recognized player in the biotech industry.

However, it must be stated that the ability to capitalize on the Obama opportunity is a product of scion's calculated strategy to gradually increase its capabilities and breadth of offerings through careful, yet systematic, risks.